DOCUMENT RESUME

ED 095 412 CE 001 979

AUTHOR Smith, Leonard; Pezzullo, Caroline
TITLE Career Progression Systems in the Internal Labor Market of the Foodservice Industry and the Role of the National Restaurant Association. Final Report.
INSTITUTION Humanic Designs Corp., Manhasset, N.Y.
SPONS AGENCY Manpower Administration (DOL), Washington, D.C. Office of Research and Development.
REPORT NO DLMA-82-34-70-04-03
PUB DATE 20 Aug 73
NOTE 90p.; For related document, see CE 001 978

EDRS PRICE MF-$0.75 HC-$4.20 PLUS POSTAGE
DESCRIPTORS *Career Ladders; Cost Effectiveness; Employer Attitudes; *Food Service Workers; Job Tenure; Job Training; Labor Market; Manpower Utilization; *On the Job Training; *Personnel Policy; Promotion (Occupational); Systems Development; Unskilled Workers; *Work Life Expectancy
IDENTIFIERS *Career Progression Systems

ABSTRACT

The lack of visible career paths was universally recognized as a major factor leading to the extraordinarily high rate of turnover and absenteeism in the foodservice industry. The report evaluates the potential of a National Trade Association as a vehicle for improvements in this area and focuses on National Restaurant Association (NRA) efforts in upgrading nonmanagement employees. Adoption of more rational systems was perceived to be a long term objective. The report describes the design of career progression systems for three segments of the industry: Institutional Food Service, Commercial Restaurants, and Hotel Foodservice. However, given the historical attitudes of the industry toward its manpower, the short-term return of one-step upgrading and related training is apparently much more acceptable to management. The report concludes that National Trade Associations similar to NRA representing primarily small establishments with no formal manpower planning facilities or experience, should be encouraged to serve their members essentially as educators showing the industry how to improve career opportunities. (Author/MW)

ED 079412

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

Career Progression Systems in the Internal Labor Market of the Foodservice Industry and the Role of the National Restaurant Association

Final Report

This report was prepared for the Manpower Administration, U.S. Department of Labor under research and development contract #82-34-70-04. Since contractors conducting research and development projects under Government sponsorship are encouraged to express their own judgment freely, this report does not necessarily represent the official opinion or policy of the Department of Labor. The contractor is solely responsible for the contents of this report.

CE 001 979

Humanic Designs Corporation
1615 Northern Boulevard
Manhasset, New York 11030

August 20, 1973

BEST COPY AVAILABLE

PHC DATA	1. Report No. DLMA 82-34-70-04-03	2.	3. Recipient's Accession No.

Career Progression Systems in the Internal Labor Market of the Foodservice Industry and the Role of the National Restaurant Association

5. Report Date: August 20, 1973

6.

7. Author(s): Leonard Smith and Caroline Pezzullo

8. Performing Organization Rept. No. 04

9. Performing Organization Name and Address:
Humanic Designs Corporation
1615 Northern Boulevard
Manhasset, New York 11030

10. Project/Task/Work Unit No.

11. Contract/Grant No.: DL 82-34-70-04-03

12. Sponsoring Organization Name and Address:
U.S. Department of Labor
Manpower Administration
Office of Research and Development
3111 20th St., N.W., Washington, D. C. 20210

13. Type of Report & Period Covered: Final Report Mar.1971-Apr.1973

14.

15. Supplementary Notes: - A separate report on career progression systems in the Foodservice Industry is being prepared by the National Restaurant Association under another contract with the U.S. Dept. of Labor.

16. Abstracts: The report evaluates the potential of a National Trade Association as a vehicle for securing improvement in an industry's methods of upgrading non-management employees. HDC had the task of developing within the National Restaurant Association (NRA) a technical capability to serve the foodservice industry with respect to this issue. The lack of visible career paths were universally recognized as a major factor leading to the extraordinarily high rate of turnover and absenteeism in the industry. At the same time, adoption of more rational systems were perceived to be a long-term objective. The report describes the design of career progression systems for three segments of the industry; Institutional Foodservice, Commercial Restaurants and Hotel Foodservice. However, given the historic attitudes of the industry towards its manpower, particularly the "warm body theory," (i.e., that the first warm body that applies for a job is hired into low-skill jobs), the short-term return of one-step upgrading and related training is apparently much more acceptable to management. The report concludes that National Trade Associations similar to NRA representing primarily small establishments with no formal manpower planning facilities or experience, should be encouraged to serve its members essentially as an educator, showing the industry how to improve career opportunities. Its technical role should be oriented towards technical education by handbooks, seminars and responding to members' queries rather than to provide "hands on" operations.

17. Key Words and Document Analysis. 17a. Descriptors

Career Progression System
Job Analysis
Job Descriptions
Benefit/Cost Analysis
Attitude Survey
Counseling - vocational interests
Management Training
Mobility
Orientation (Training)
Productivity
Unskilled Workers
Upgrading

17b. Identifiers/Open-Ended Terms

National Restaurant Association (NRA)
Institutional Foodservice (IFS)
Commercial Restaurants (CR)
Hotel Foodservice (HFS)
Career Training Study (CTS)
Council of Hotel & Restaurant Trainers (CHART)

17c. COSATI Field/Group

18. Availability Statement: Distribution is unlimited. Available from National Technical Information Service, Springfield, Va. 22151.

19. Security Class (This Report): UNCLASSIFIED — 21. 112

20. Security Class (This Page): UNCLASSIFIED — 22.

TABLE OF CONTENTS

		Page Number
ABSTRACT.....		i
CHAPTER I:	The Foodservice Industry.....	1
CHAPTER II:	The Role of a Trade Association in Developing Career Progression Systems for an Industry.....	7
CHAPTER III:	Rationale for Organizational Involvement in Career Progression Systems.....	21
CHAPTER IV:	Characteristics and Problems of Research Sites.....	37
CHAPTER V:	Tools, Techniques and "Models"....	65

APPENDIX A - Making the System Work

APPENDIX B - Skill Dimensions

APPENDIX C - "Practical Knowledge" Dimensions

ABSTRACT

Humanic Designs Corporation (HDC) was contracted by the U. S. Department of Labor, Manpower Administration, Office of Research and Development, to evaluate the potential of a national trade association as a vehicle for securing improvement in an industry's methods of upgrading of non-management employees. HDC had the task of developing within a trade association - the National Restaurant Association (NRA) - a technical capability to serve the foodservice industry with respect to this issue.

The report describes the work performed (from the period of March 1971 through April 1973) and the major findings resulting from the R&D project. The findings are highlighted below:

1. A National Trade Association can benefit an industry in developing improved career progression systems, if and when the industry it represents has a history of concern with the effectiveness of its manpower utilization; or when it is under pressure by a union to provide improved promotional opportunities; or because of poor employee morale leading to high turnover, and/or low productivity. In addition, the industry should be reasonably homogeneous with respect to size and technology and should not contain many small units. In such circumstances, the association can serve the whole industry with a minimum of effort and not have to provide highly personalized services to individual firms, which would destroy the economies of scale obtainable in a homogeneous industry. In any event, the law does not permit a trade association to act as a consultant to particular members.

2. A National Trade Association seems to serve its members best when it acts primarily as an educator, showing the industry how to improve career opportunities, but not attempting any massive intervention. Its technical role should be oriented towards technical education, by handbooks, seminars, etc.; and replying to members' questions. "Hands on" operations should be excluded.

3. A foodservice organization which does not have a well-defined and applied personnel system in general, and which needs an upgrading of managerial know-how, is not ripe for a career progression system. A Trade Association wishing to help such members in the upgrading area should first counsel them to improve their overall manpower management. A career progression system, in other words, cannot work well if it is grafted on to an existing problem-ridden manpower system (or a "non-system").

4. A corollary of this is that any work intended to improve progression opportunities should be preceded by an extensive (but not necessarily, intensive) problem analysis phase, to determine what the firm needs and what is the proper sequence of activities. Career progression systems may be premature in the light of such a study.

5. Employers in the foodservice industry appear willing to accept the premise that a visable, rational, career progression system for non-management employees is a sound investment. However, it also appears that they perceive the payoff as long-run and look for quicker returns. One-step upgrading and related training, therefore, is much more acceptable since it yields a short-term return.

   This attitude is expected, given the historic attitudes of the industry towards its manpower, particularly the "warm body theory," i.e., that the first warm body that applies for a job is hired (into low-skill jobs).

6. HDC did succeed in designing model career progression systems for an institutional foodservice corporation, a commercial restaurant corporation and a hotel foodservice corporation. These designs were all accepted "in principle" by management. The recommended systems link jobs from which formerly there was no progression to logical paths upward and allow for lateral or oblique movements between departments, which is very rare in current practice. The present designs break down the traditional barriers between "front-of-the-house" and "control" functions. The logic of these designs, based on skill/knowledge relationships, was recognized by the food-service managements to whom they were presented.

7. An important factor contributing to a slow pace of implementation of progression systems in the foodservice industry is the generally low level of personnel management practice; hiring and promotion both tend to be nonsystematic and at the whim of a manager or (particularly) owner. This is illustrated by an institutional foodservice unit in which HDC conducted part of the study; out of some forty employees, only eight had been promoted within the eight years of its present ownership. All of these eight reported to one individual (the assistant manager). All were middle-aged white females. In none of the three organizations which the R&D work was conducted was there any evidence of career progression paths, formal or informal.

8. Designs based on this work have been published by the NRA in the handbook Investing in People being widely distributed to the industry. At the conclusion of the HDC contract, it was felt that NRA was left with a cadre of professionals, technically competent to develop the concept further and "export" it to the industry, although the nature of the industry probably inhibits rapid achievements.

CHAPTER I

The Foodservice Industry

The foodservice industry is a growing segment of the larger "hospitality" industry, and includes a diverse and often marginally related assortment of component sectors and firms; restaurants, hotel food and beverage operations, bars, private club eating facilities, fast food chains, airline kitchens, institutional feeding services, school and hospital feeding programs, even prison and military mess halls.

There are about 338,000 commercial feeding establishments in the United States.[1/] This group comprises those establishments which are open to the public, are operated for profit, and which may operate facilities and/or supply meal service on a regular basis for others.

In addition, there are approximately 152,000 commercial, educational, government or institutional organizations which run their own foodservice operations. Food is provided in these establishments as an auxiliary service to complement other activities. In 1971, industry food and drink sales totaled $44.7 billion. The commercial feeding group accounted for $36.6 billion, or about 82 percent of the total.

The production mix between capital and labor runs the gamut from the automat and vending companies to the gourmet and natural foods restaurants. Firms in the industry annually purchase equipment valued at over $700 million.

Firms range in staff size and composition from one-person neighborhood hash houses to publicly held and internationally renowned hamburger enterprises, from federally subsidized school lunch programs to family-held pizza parlors, from military mess halls to prison mess halls.

An average of 150 million meals are served every day by the 3.7 million employees in the industry. The foodservice

---

1/ All foodservice industry statistics come from NRA sources, and are for 1971.

industry uses approximately 20 percent of all food produced in the United States. Food and beverage purchases by all foodservice establishments were estimated at $18.3 billion in 1971. The commercial segment accounted for $11.3 billion; government employee and defense feeding made up an additional $2.1 billion. Among the retail trade industries, public eating and drinking places ranked fourth in sales behind foodstores, automotive stores and general merchandise stores. Regulation of the industry is largely a local legislative concern. Standards of excellence and performance vary widely on matters as fundamental as employee and business licensing, liquor license regulations, sanitary conditions, occupational safety standards, etc.

Non-management personnel in the foodservice industry are largely low skill, low wage hourly employees, many holding dead-ended jobs (e.g., busboys, potwashers, etc.). It is to be noted, however, that a significant number of the traditional non-management jobs involve respectable wages and considerable vocational skills (e.g. cooking and baking). Additionally, at lower and middle management levels, HDC found an abundance of relatively low wage and relatively non-mobile jobs. This is due in part to the characteristics of the firms in the foodservice industry: a few giants, lots of small and medium-sized firms (many operated by families, or "as if" by families). Career patterns are not familiar to the foodservice industry generally, regardless of the employment level in question.2/

Among non-management personnel, a substantial number are immigrants (especially Chinese)and/or minority members (especially blacks and Spanish-speaking), and a good many are part-time employees (students working during the school year or during summer vacations, and women seeking to supplement family incomes during the hours their children are attending school). Foodservice work may be the preferred form of employment for many of these part-time and immigrant workers, but it is also, for many of them and for many others, the only form of employment open to them.

2/ This is less true of the giant firms -- hotel corporations with elaborate foodservice functions, the executive offices of many fast-food chains and other franchise operations, foodservice firms which are part of corporate conglomerates and which benefit from the management resources of the parent company.

For these working people who have few vocational options, the concept of a career in the industry may not be meaningful and directly relevant to their employment goals. Coupled with the generally job-oriented rather than career-oriented history of the industry at all levels of employment, it is not surprising that the industry approaches the concept of career progression planning with a sense of its foreignness, not its familiarity. For the industry and its workers, career concepts are clearly less important than more immediate concerns such as wage and benefit structures, healthful working conditions, convenient entry and exit from individual firms within the industry, and the transferability of "skills" from one company to another (although not from one job to another).

Three styles of personnel policy appear to characterize the foodservice industry, each at a different level of employment. In management circles, the dominant theory may be called the "Piracy Theory of Executive Recruitment," wherein Corporation X trains its middle-level executives for eventual higher-level service with Corporation Y. The residual message of this historical preference is that few executives may expect to achieve vocational actualization within a single firm, but, rather, can expect to leave a firm as soon as they feel the need and the opportunity to upgrade themselves professionally.

With respect to the skilled kitchen positions of chef and baker, the industry adheres traditionally to the "Magic Apron Theory," wherein the chef's replacement brings the promise of improved food quality, taste and originality, and thus of improved customer response to the firm's service.3/ Little thought is given to in-house development of cooking talent, or to in-service training to promote the culinary abilities of already-skilled chefs. If customers lose interest in the sauces, most firms will get another chef who knows how to keep customers happy.

3/ This is especially true of the restaurant end of the industry, but is also becoming increasingly visible within the airline foodservice sector, where "famous chefs" bring to an airline their special recipes, which then become a principle advertising differential among airlines. For competitions offering the same range of services at the same federally regulated prices and performance standards, "Hawaiian Chicken a la Chef X" may constitute the sole source of service differentiation.

At non-management low-skill levels, a third general theory may be discerned. The "Warm Body Theory of Basic Labor Replacement" prescribes that the hiring agent for the food-service firm accept for employment in unskilled slots the next warm body in search of a job. The nature of the industry -- often seasonal, usually cyclical over the course of a single work shift, and historically accustomed and resigned to high turnover rates and low labor productivity levels -- suggests the comfort with which a job applicant may be retained with little consideration given to the long-run consequences of that hiring action.

Generally, personnel operations and policy are not well developed within this industry, and concern for personnel resources has frequently taken a back seat to preoccupation with the mechanical and capital-goods aspects of the productivity equation.

The industry has made tremendous strides in developing the mechanical and technological aspects of food preparation, storage, and dissemination, and is now turning its attention back to the developmental problems associated with human resource utilization. Taken as a whole, however, the food-service industry lacks a modern tradition of concern for personnel policy improvements, to which member firms may refer for guidance in their current personnel efforts.

The industry as a whole is going through some drastic and abrupt changes in its public, external complexion. It is one of America's oldest industries, in the sense that food-service establishments may be found to have their roots far back in history; yet it is dominated increasingly by one of America's newest "industries" -- the convenience industry. Fast foods have taken over the top ranks of the volume feeding statistics within the past very few years, and so-called "convenience foods" and "packaged portions" have assumed a growing importance throughout the industry even in gourmet restaurants. Concurrently, Americans have quite recently discovered wine in unprecendented numbers, and are demanding skilled sommeliers at many restaurants which hitherto were able to conduct business without liquor licenses. Finally, the industry has developed, literally out of thin air, an enormous airline feeding segment.

This perspective portrays an industry which is polymodal, which has a history of under-development of its own human

resources, and which comes to the 1970's with personnel needs which go beyond the non-managerial levels and beyond the simple need for career progression systems. Having so characterized the industry, it is worth noting that there are many exceptions to the rule. Some member firms have long been aware of the importance of improving and modernizing their personnel systems; many member firms have exemplary personnel programs; certain industry members are heavily involved currently with training of executive and culinary talent for "careers" in the firm; many of the firms in the industry, particularly the smaller members, the family outlets, and the local branches and franchises, have a continuous history of concern for the care and development of human resources which equals or eclipses their concern with capital resources. Still, it is fair to characterize the industry generally as one lacking modern and progressive personnel policies, diverse and sophisticated management skills, and adequate human resource development programs.

This report is a review of the findings of a research and development study conducted within this industry. These R&D activities were funded by the U.S. Department of Labor, Manpower Administration, to (1) assess the rationale for, and the ability of, a national trade association (the National Restaurant Association) to assist an industry (foodservice) in improving its career progression methods for non-managerial employees; (2) develop ways in which foodservice employers can improve their progression methods, considering the history and the current problems of the industry. Humanic Designs Corporation (HDC) was contracted to provide technical assistance to the National Restaurant Association in developing career progression systems for the industry and to evaluate the Association as a "multiplier" and long term resource for the foodservice industry.

The period of HDC involvement, and therefore the period to which this report relates, is from March 1972 to April 1973.

The report is organized as follows: The present chapter (Chapter I) has presented a view of the foodservice industry and in particular its attitudes and practices with respect to its manpower.

Chapter II is concerned with the broad conceptual issue of the role of a national trade association as a means

of influencing an industry to improve its existing career progression methods. On the basis of the available case history (the National Restaurant Association), it attempts some limited generalization to the entire class of national trade associations.

Chapter III is concerned with "organizational willingness," with an employing organization's motivations for participating in an R&D project and in improving its present methods of promoting its non-managerial employees. Three cases are considered, and recommendations for future R&D efforts are put forward based on these cases.

Chapter IV describes the corporations and the establishments in which the R&D effort was conducted and their problems as perceived by the researchers.

Chapter V is primarily concerned with the career progression systems that were developed in response to those problems to which career progression systems appear relevant. A brief description is provided of those systems which appears in the NRA handbook, How to Invest in People, which was a major output of the work in the three corporations.

CHAPTER II

The Role of a Trade Association in Developing Career Progression Systems for an Industry

At some time in the future, government has to consider how private employers can improve their manpower management practices, with little or no government investment. National trade associations are one possible means of achieving some improvement.

The National Restaurant Association Career and Training Study was consequently of particular importance to the U.S. Department of Labor as a case study of the effectiveness of a national trade association in helping an industry to improve one aspect of manpower management, namely, progression opportunities for its non-managerial employees.

Before addressing this, it is necessary to define the limitations of the attempt. The CTS is one experimental effort, involving one trade association, one consulting firm, one industry and three experimental sites, each representing one sector of the industry. It is therefore dangerous and presumptuous to draw definitive conclusions on the subject of trade associations and career planning systems. Instead, it may be useful to view the CTS as a project which embodied many of the potentialities of any similar project, and which, therefore, demanded many of the procedural considerations attendant upon similar projects. If this is indeed the case, then by addressing a single experiment, we may be able to highlight the critical junctures of any similar experiment for the benefit of those charged with abstracting from the available evidence a series of policy recommendations for further R&D. Therefore, using the CTS venture as a guide, we shall provide a series of recommendations for future efforts of a similar nature to this one. Insofar as the CTS effort was peculiar and singular, recommendations may prove unnecessarily conservative or restrictive to future researchers. Insofar as the CTS effort was exemplary, then the recommendations offered should improve the viability of future R&D efforts directed toward addressing personnel program needs within the industry.

Evaluation of a National Trade Association

Criteria. One may fairly ask whether the implementation of the career progression system produced for the host sites constitutes a "success" for the NRA and whether it also constitutes a validation of the plans themselves as designed by HDC. Conversely, one may ask whether failure to implement constitutes a "failure" for NRA and likewise, a specific failing of the HDC-designed career package concerned. The answer to the last question, clearly, is "no". Unless the career package is implemented, one cannot judge the operational utility of the package itself, and one is left making conceptual judgments about its worth -- surely not the basis for judging the net worth of the effort. But even if the package is not implemented, we cannot judge the project overall to have been "unsuccessful," since the reasons for non-implementation may be beyond the scope of the project's mandate. We suggest that such is the case -- that constraints in the structure of the industry and host firms, that procedural failings and that other external considerations mitigated against implementation, notwithstanding the potential value of the package of career systems.

The former question, "Would the implementation of a career progression plan at a specific site, were it to happen during the course of the project, constitute a validation of the project and of the progression system as designed by HDC?" implies that the only "product" sought by the CTS was (a) an actual influence (b) on a real firm (c) to institute a tangible career progression system (d) meeting the specifications laid down by HDC and (e) gaining implementation through the assistance of NRA. This is a narrow view of the purpose of the project, and one which hardly serves to illuminate DOL's principal questions as posed at the beginning of this chapter. It would seem that more useful data, to that end, are obtained. From this, one can learn how far one particular association was able to go in serving its industry and provide some directions for any future U.S. Department of Labor efforts with national trade associations.

Accomplishments

(1) HDC was expected to leave with NRA in-house expertise in providing assistance of a technical

nature to the industry on issues surrounding career progression systems design and implementation. This has been done. It is recognized by NRA and by the host corporations that much of HDC's know-how is now resident at NRA in the form of staff members educated in the mechanisms of progression systems design and implementation, and alert to the peripheral considerations attendant on their introduction into industry locations. Whether or not NRA is able, at the three experimental sites[4/] to use that expertise to effect a "successful" implementation depends more on the extent to which procedural and structural complications can be overcome sufficiently to allow the career progression system concept to exist comfortably in the corporate environment. In the future, benefitting from those lessons learned during this project but not found as objectives in the research design, NRA may be expected to significantly improve its capacities to recognize and negotiate constraints which exist within the larger corporate system to which career progression systems are proposed. Additionally, NRA may be expected to draw additional lessons during the remaining months of the CTS which bolster its analytical abilities as applied to other members of the industry who retain NRA's counsel in addressing careerist principles and programs.

(2) Generalizable career progression models, applicable to the industry, were to be designed and made accessible to the industry. An NRA publication entitled "How to Invest in People," which provides for commercial restaurants considerable guidance in the design and implementation of career systems for non-management personnel, has been produced. This industry-specific handbook has received extensive distribution and can provide much of the technical support required by a firm in assessing its own likely stance toward career system design and adoption. It is not a "cookbook" for career program planning, but it is a guidebook for interested firms seeking guidance from "experts". NRA

4/ CR, IFS, and HFS.

uses the handbook as an integral part of its on-going seminar offerings in various aspects of foodservice management, and in its frequent and continuing contact with college faculty and students at schools of restaurant management. The multiplier effect of these seminars, university contacts and literature distributions is considerable. Visual materials accompanying the handbook allow for its use even in convention settings, thus facilitating the introduction of career thinking into regional and national gatherings of foodservice industry representatives.[5/]

In addition, the NRA has encouraged and supported the establishment and growth of the Council of Hotel and Restaurant Trainers (CHART), which is composed of training directors for many of the major corporations in the industry,[6/] and which, through one of its leading members, is tied directly into the on-going CTS experiment at the HFS site. While separate from both NRA and the CTS, CHART serves as an additional point at which the implications of career progression systems can be discussed and from which they may be disseminated.[7/]

With exposure to career progression planning evident in so many sectors of the industry -- the NRA staff, the training directors' council, the university faculties and student bodies, several firms within different sectors of the industry, the regional and national convention programs, the NRA seminars on peripheral areas of concern -- with so many outlets for the concept and its implications, there is a growing interest and awareness within the industry,

---

5/ This was done as recently as May 1973 at NRA's national convention.

6/ A decade ago, the position of training director was virtually unheard of in the industry. Today, it is becoming an increasingly visible point of industry evolution.

7/ CHART members have access to the technical insights of NRA in the event they may wish to pursue career progression planning within their own firms.

and especially within the membership of NRA, of the concept of career progression system utilization. Such an interest is due in large measure to NRA's sponsorship of the concept. That zeal, in turn, is due in large measure to NRA's having been involved intimately with the design and development of sample career progression plans at specific industry sites. In effect, the "hands-on" experiences of the trade association have led directly to its interest in advancing the concept industry-wide, its credibility in so doing, and its capability to so do. As a direct by-product of its having developed a technical capability to assist the industry in addressing career programming, NRA has developed the instincts and convictions which allow its traditionally strong educational effort toward the industry to encompass the newly emergent concept. This sequence of facts serves as a principle validation of the utility of engaging a consulting organization and a national trade association in a joint venture project, whether the project seeks implementation of career progression systems or simply an understanding of its intricacies, relevance, and utility to the industry. Even if NRA never again provides technical assistance in designing and implementing such systems within a foodservice firm, the experience of having jointly pursued, with HDC, such a goal during the CTS will serve the long range purpose of stimulating and refining the association's continued advocacy of the concept throughout the industry, as well as its ongoing dissemination of information concerning that concept.

The CTS will likely not provide the occasion to "measure" the degree to which NRA is adept in performing the technical assistance mission proposed for it, nor the degree to which HDC successfully trained NRA for that mission. It will, however, have provided NRA at a minimum with sufficient insight into the arena of career progression systems to be able to serve the industry's general needs for sensitization and technical advice on the general principles and programmatic and corporate consequences of pursuing the concept.

(3) A principle result of the CTS venture was to validate NRA's judgment that the industry was in need of career progression planning exposure and assistance. This validation occurred, with the proviso that other innovative management tools were also required by the industry. In effect, the search for career progression systems has led to the discovery of that and much more. This fact has two major implications. First, in future instances where NRA may be asked to assist a firm to design and implement a career progression plan, the NRA operatives will be alert to many of the additional structural and managerial constraints which must be considered and perhaps addressed concurrently with the career progression problem. Second, NRA will be able to develop integrated educational and assistance programs, drawing together its current programs and projected ones with the career progression presentation it has developed. Ultimately, this will provide the industry fuller and richer educational services, apart from the added provision of technical assistance in career system issues. In effect, NRA now knows that MBO and others of its programs are very much linked to the ultimate implementation of career programs; therefore, NRA must and will treat career progression planning in a context which extends beyond personnel issues.

(4) A principal liability NRA carried in attempting service of a technical nature within the industry was that its image was clearly not one of a consulting resource, but one of an educational and clearinghouse organization maintaining concerns for larger systems (e.g., government lobbying) which lie beyond the reach of individual corporations within the industry. This image, which is perfectly consistent with the general image of trade associations nationally (and equally consistent with the law limiting trade association practices), handicaps the association if and only if it becomes aggressive in publicizing its availability to the industry as a technical resource. If instead, the association chooses to publicize itself as an informational exchange, it does not have to attend to its overall credibility as a technical resource, but need confine itself to maintaining its currency in the field and maximizing its informational contacts

with its membership. The decision as to which image to cultivate lies with the association, and is certainly beyond the expertise and judgment of HDC. It is within HDC's purview to state that as a technical resource, NRA will be hard put to provide sufficiently extensive manpower and time to be able to serve numerous members of the industry with anything more than short-term technical insight and assistance. This service is by no means slight, since it represents a significant improvement in the industry's ability to gain access to a sympathetic and foodservice-conscious resource which is at the same time knowledgeable about human resource development.

Viewing the ultimate service role of NRA in these less comprehensive yet more practical terms, allows the industry to seek guidance of a kind which necessarily precedes the decision to pursue and/or embrace career programs, and then to make a more informed decision of whether or not to undertake a career progression design, cognizant of the need to secure specialized staff resources for the effort. This view pictures NRA providing a technical resource for evaluating the utility of a particular firm's advancing toward career programming, then stepping into the role of a concerned and aware observer during the firm's actual efforts to achieve a career progression program.

On occasion, NRA could "spot consult" for firms moving toward designer implementation of a career progression package; but such a presence would be contingent on NRA's ability to sustain its industry-wide role of pre-intervention advice while providing such short-term direct technical assistance. Through such vehicles as CHART, "spot consulting" might be accomplished with batches of firms at once, allowing for economies of scale as well as NRA presence at sessions designed to allow professional interchange among colleagues representing different firms in the industry which are directly occupied with career program planning.

Emphasis on the pre-intervention assistance role would also help to distinguish within the industry

between the feasibility of career progression planning in a particular firm and the advisability of it for the industry as a whole. As was learned in the CTS, research in the private sector does not automatically guarantee a smooth transition to implementation. If feasibility assessments were to be detached from actual intervention and manipulation of the corporate structure, yet were to serve the ultimate goal of real programmatic or structural change (as distinguished from serving a theoretical or conceptual hunger on the part of the research team), then implementation could flow from the intersection of advisability and feasibility. This ideal may be juxtaposed with the case of the CTS where, by implication, implementation was to directly grow out of a firm's interest in learning about career systems.

The lesson of the CTS study is that implementation assistance requires much more time, energy, skill and good fortune than a trade association is likely to have at its disposal. A firm wishing to proceed toward implementation after assessing its feasibility is in a much better position to manage that process on its own than it is to accept the intervention of another party holding an agenda of social and political goals for the industry in the aggregate which may not square with the fiduciary agenda maintained by the corporate decision-makers.

(5) Conclusions drawn from one study do not necessarily carry with them the promise of universality, but they contain suggestions of the kinds of issues likely to be of importance to similar efforts from the structural and procedural perspectives.

An example may provide useful insights into the benefits of drawing conclusions from a single study. For the most part, the foodservice industry lacks an operational tradition of career progressions at non-management levels. It shares this history with other industries. But unlike some other industries, it has also a tradition of extremely flat job hierarchies in the non-management personnel ranks. So, in addition to providing the industry with an understanding of career progression systems, it became

necessary in the CTS to build a meaningful hierarchy of employment categories within the low skill employee range in order that there be job slots into which a progressing employee might be expected to enter. That raises the issue of whether career progression system design would be less foreign to an industry with a tradition of more extended hierarchies as well as an equivalent history of failing to link the steps in the hierarchy into career ladders. We can only speculate on the importance of the distinction, but conceptually, it seems safe to say that the flat hierarchy presented one more barrier to understanding and acceptance of career progression systems within the foodservice industry, and made necessary an additional point of structural intervention and reform on the part of the researchers in their efforts to bring career progression systems to the host sites.

Another example may be useful. Did it make a difference one way or the other that while the industry in the aggregate had no tradition of career planning, there had been considerable interest aroused within the trade association and its membership as a result of a study which preceded the CTS and which assessed the extent to which career ladders might be useful to the industry? Was the climate right for the trade association to raise the issue of careers, and is this preliminary climate necessary to the process for creation within the industry of a mandate for the trade association to develop for itself a role in spreading the concept through its membership? Again, it seems likely that this is the case, though only additional research can clarify the point and illuminate its significance, if any.

Some further suggestions, to guide future efforts, are described below.

Choice of an Industry

The foodservice industry was correctly characterized at non-management personnel levels as predominantly low-skill, low-wage and dead-ended. These characteristics, in and of themselves, were not sufficient to justify the conclusion that the industry generally needed career progression planning assistance.

Certain recommendations emerge from the CTS which speak to the issue of an industry's suitability as an area for the development of career systems. These recommendations may also be read as guidelines to choosing trade associations which may be expected to successfully further the cause of progressive personnel policy.

Service industries have traditionally overlooked questions of labor productivity in favor of the issues of licensing (as in the case with the professions) and technical improvements. In the absence of pressure from organized labor on prevailing personnel policies (including wages, benefits, and working conditions), and lacking a history of such concerns, the foodservice industry perceived no immediate self-interest in addressing overall personnel policy at either management or non-management levels. While some changes in the general trend line may be detected within this industry today, the industry as a whole is not ready as yet to address the issue of careers within non-management levels. Nor will they be ready without increased pressure for reform -- whether internal or external -- or a change in managements' view of the industry. It would appear that further Department of Labor efforts should concentrate on those industries where internal or external pressures and/or industry traditions, favoring personnel policy analysis and change, are strong and meaningful ones.

It is also recommended that efforts on behalf of career system implementation be focused on industries whose members are all likely to benefit from such policy changes. If an industry is characterized by extreme disparities in firm sizes and stages of technological maturity, then the firms within that industry are likely to require idiosyncratic analysis and design of their career programs. This negates the economies of scale which may be expected from using a single vehicle, the trade association, to introduce an important labor organization device into an industry. In the case of the foodservice industry, many of its member firms are too small to benefit from an elaborate system such as career progression planning, notwithstanding their needs for innovative personnel policies and programs of a lesser but related magnitude. Since a trade association cannot, by law, operate as a consulting firm to individual firms within its industry, each program it advocates must apply broadly to the concerns of a substantial number of its members, and not to a minority of its larger member firms.

In other words, it would seem that a trade association should not involve itself in career progression activities unless (1) its industry has a history of concern with improved personnel policies and procedures, or (2) is subject to union pressures for improved promotional opportunities, or (3) is under pressure to increase the efficiency of labor utilization, and (4) is moderately homogeneous in the size of its units, few of which should be very small.

Defining the Problem to be Remedied

The objectives of the CTS project grew from three sources: NRA's understanding of industry needs; HDC's grasp of the concept of career progression planning; and the U.S. Department of Labor's need to examine specific national manpower strategy options. NRA saw the need among its member firms to address the industry's personnel problems through the vehicle of career thinking. HDC saw its ability to provide technical expertise to such an operation. The funding agency recognized the opportunity to experiment with the manner and form of the design and implementation processes of career progression systems in low-wage low-skill industries, utilizing a national trade association as a vehicle for advancing those processes and that system. In the abstract, all these interests merited advancement and reflected accurately a manpower problem and a possible component of a manpower remedy. But the CTS was not a study in the abstract; it involved specific host corporations and sites, each having its own distinct manpower problems requiring remedies which probably exceeded those offered by career progression systems. That is to say, career progression programs may have been necessary to the host organizations, but such programs were not sufficient to their overall manpower needs. This conclusion leads to some important insights into requirements for future CTS-like ventures.

(1) Future projects should begin with a relatively extensive problem definition phase centering on the personnel needs of the organization and the context within which those needs exist. Understandably, the CTS venture had no such phase to it. Since the project was designed to test certain specific hypotheses and system innovations, it was necessary only to select proper experimental sites and assess specific site

characteristics which could be expected to influence the shape of the proposed career package at each site. Had site selection been totally adequate to this narrow purpose, then perhaps this failure to analyze the problem would not have been disabling. But the vagaries of site selection in general recommend a cautious approach to the application of pre-selected, narrowly specific solutions.

(2) In addition to not identifying specifically the real needs of the host organization, therefore addressing in each instance only part of the organization's real problem, the CTS failed to consider management's instinctive inclination to precede a remedy with specific problem definition exercises. During the course of the project, CTS staff became aware of some of the peripheral needs of the host organizations, and were able in one case to address those needs directly through the NRA's "management by objective" program. Thus, the research team in effect pursued what was thought originally to be a simple need for career systems with what became ultimately a broad management skills program which included career systems guidance.

Overall, however, the research team followed their mandate to design, implement and evaluate career progression systems, notwithstanding the fact that, for the three host organizations, such systems were untimely and insufficient to their total personnel program needs. Since problem analysis is likely to reveal at the very least multiple problems in the personnel programs of the organization, and since innovation at one level is likely to trigger structural response and discordance at other levels, a strategy emphasizing multiple forms of intervention is recommended for future projects of this sort. Insofar as this exceeds the expertise of the trade association or the legal constraints on the trade association's participation, then projects will have to be designed to allow for proper consideration of the necessary ancillary activities to prepare the corporate ground for the career progression planning group's efforts. Failure to do so would jeopordize the utility of efforts expended in pursuit of the career program. In addition, applying a single innovation to a constellation of problems requiring a variety

of solutions is likely to dissipate the impact of that single innovation, causing strain on untended parts of the corporate environment. These "ripples," if identified before they are created, may be at least monitored, perhaps even controlled, thus allowing a fair test of the career program involved.

CHAPTER III

Rationale for Organizational Involvement in Career Progression Systems

An important group of questions, from the point of view of the U.S. Department of Labor, run somewhat as follows: What is the rationale for a private sector employer to be concerned with a career progression system offering improved promotional opportunities for non-management employees? What are the arguments that can be properly used, to persuade an employer that the costs of setting up and maintaining such a system are worthwhile? What are the counter arguments that must be refuted if employers are going to implement improved ways of promoting and transferring? What "improved ways" are acceptable to employers?

This Chapter addresses the findings from the three cases in which HDC was involved in the CTS project. Many of them have been touched on in the previous Chapter, but from the viewpoint of a trade association's involvement. This present Chapter describes them as they relate to influencing the employer directly.

Rationale for Corporate Involvement

Over the course of the NRA contract, four organizations participated as host companies. One of these (the airline feeding organization) entered the project at the very end of HDC involvement and cannot, therefore, be described in this report. The institutional foodservice corporation (IFS), the small commercial restaurant (CR) and the hotel corporation (HFS), however, were all participants for extended periods of time during HDC's contract, and their motivation for participation can legitimately be discussed.

These three corporations (IFS, CR, HFS) were invitied to participate by NRA. In each case, the commitment to experiment was based, in part, on personal links between top level individuals in these corporations and members of the NRA staff. In addition, however, each corporation entered into involvement in anticipation of potential benefits and documented information in the areas of personnel training and career development.

A necessary prerequisite for the commitment to experiment is a perception of employee dissatisfaction with present career opportunities and a belief that turnover, absenteeism, tardiness and general productivity problems are partially due to the lack of visible career opportunities. Turnover, in particular, hurts the industry greatly. In the IFS, it is estimated that, in Chicago alone, with some 450 employees in 22 units, and a turnover rate of about 60%, turnover costs more than $100,000 a year; in many areas turnover rates were much higher and cost proportionally more. In CR, turnover rates were approximately 250% per year, in some jobs as high as 800%. This would seem to be a major motivation for experimentation with career progression systems in the foodservice industry.

In the case of HFS, turnover was not perceived as so important in the food and beverage departments, but productivity was the major perceived problem; career progression - or at any rate, training - was seen as a possible solution.

A third major motivation is the awareness that the industry should develop its own managers and technicians. Each organization saw itself as expanding, needing more management talent and, also, more high level food production talent, such as Chefs. The organizations in the study do not currently provide much in the way of development of such employees.

It seems likely that the foodservice corporations that became involved in the project were to some extent naive about the nature of that project when they agreed to participate. NRA named the project Career and Training Study, and subsequent dialogue with executives of the corporation indicates that the word "training" was heard above all others. The career development aspects may not have been fully understood. The need for a career progression system as part of a larger total personnel system was not fully apparent at the beginning of the study to NRA or to any of the host organizations. Development of training programs to fill hard-to-fill vacancies seems to have been perceived as the major objective of the work. This is clearly attractive, especially since the organizations were all assured that it would cost them nothing although they were expected to make some manpower available in order that NRA/HDC could leave a capability behind at each host.

We are not in a position to discuss the attitudes and motivations of corporations in the foodservice industry other than those with whom we worked. Initial contacts were made before HDC entered the scene and we have no records of how they were approached and how they responded to the approach. Presumably the separate NRA report on the project will deal with this area more fully.

Rationale for Establishment Involvement

The rationale for involvement - presented and acted upon - by individual establishments (units of the institutional foodservice organizations, servicing separate institutions, restaurants of the small commercial restaurant corporation, hotels and their food/beverage department of the hotel chain) were essentially the same as those applying to the parent corporations.

The establishment which seemed to have the most acute problems, and with a management willing to participate, was selected for experimentation by the corporation. According to the original design, a comparable establishment was supposed to be designated as a control; as it turned out, for reasons described earlier, no comparable establishments could be found.

Organizational Willingness to Change Career Progression Systems

In some instances of HDC work, there have been different degrees of willingness to change, at corporate and establishment levels. This is not the case in the foodservice organizations we have been working with, except for IFS (see below). In the other cases, restaurant/hotel management appears to follow - indeed to wait for - directives of corporate management with respect to project implementation. There is, therefore, no need to make a major distinction in this report, between the two levels of organizations.

Institutional Foodservice. Despite apparent initial enthusiasm, it does not seem very likely that this organization will implement a career progression system of the kind recommended by the CTS team, although it was agreed to in principle by senior management. A cost/benefit estimate was presented to management, which appeared convinced by the

data, even though it was in part hypothetical. The "model" suggested was an inter-unit promotion and transfer system, incorporating all 22 Chicago units into one large mobility structure. (See Chapter V, the section headed A Proposed Progression Structure for the Inter-Unit Mobility Clustering of 22 Chicago Units.)

Some inhibitory factors can be ascribed to the fact that top staff members were absorbed by plans for re-establishing the corporation as an independent entity when its parent conglomerate completes divestment procedures. There were also such problems as:

- unit and area managers being unwilling to endorse a system that would, in their eyes, cause them to give up good staff when a promotional opportunity arose in another unit or area (despite the reciprocal nature of the proposed system);

- the importance of these unit and area managers to the operations of the corporation, so that corporate management was unwilling (and is) to override their objections, especially at a time when the divestment was proceeding and no new managerial problems were sought;

- an unwillingness to invest in a senior individual with responsibility for the career progression system. (Again, this may be a consequence of the temporary organization difficulties.)

A relationship between IFS and NRA continues, on an occasional basis. There is still the possibility that the corporation will implement the recommended design in the Chicago area, once its current concerns are attended to. This will be an interesting test of NRA's persuasive and educative powers.

Commercial Restaurant. The CR suffers from management problems and it is the CTS group's view that until these are resolved, a career progression system cannot be made operable. A system design was agreed to "in principle" by the president of the corporation, but no mechanism for implementing it existed, since the personnel system in general was very rudimentary. As with IFS, there was an unwillingness to invest in the necessary staff to operate the system.

The CR is also run on a very personal, "non-system" basis,

which may well be typical of small restaurants. Thus, although the progression structure was seen by management as a source of ideas (e.g., for locating individuals who might be promoted if a vacancy occurred) there was no intention of "institutionalizing" it as part of a personnel system. This would reduce management prerogatives which are highly prized. (There is no union for management to contend with in this respect.)

The training curricula which were developed were seen as being of help when training is called for. However, the need for trained trainers was not appreciated, nor was the need for any on-going program of training.

In this climate, some NRA members of the project team have been giving instruction to management in the principles of "management by objectives," hoping to so organize the corporation and its two Chicago establishments that the career progression system will "slide in" as a natural part of the whole. It remains to be seen whether this will, in fact, take place.

Hotel Foodservice. HFS is by far the most hopeful case of the three in which HDC has been involved. Commitment to a career progression system has been made by the corporation and the hotel and has, for example, led to the dissemination of a newsletter to employees stating the intention to develop such a system. The proposed design for the food and beverage department of the hotel for which implementation was planned was accepted by corporate and hotel management and two target jobs located and bids requested. However, yet again, there is an apparent unwillingness to actually institute the entire system (as distinct from one step upgrading and associated training). The recommendation was made for an HFS staff member to coordinate the work, to carry it forward into the hotel functions and to export it to the rest of the corporation. This was agreed to by corporate management "in principle" but no action has as yet been taken. Management seems reluctant to spend money to implement the system, and a policy of "gradualness" prevails. There is no formal expression of such policy - on the contrary - yet the time which elapsed between the expressed intent and implementation of that intent is so considerable it is difficult to believe the commitment is as enthusiastic as the policy statements imply.

It would be most appropriate for management to pursue a cautious policy if there were an evaluation procedure in force, so that it could judge on rational grounds what were

the costs and benefits. Management does not appear interested in this approach, however, and at no time has expressed skepticism as to the potential advantages compared with the costs of operation.

Conclusions

What conclusions can be drawn from these diverse cases? Tentatively, it would seem that employers are not willing to increase personnel costs in the expectation only that in the long run the cost/benefit ratio will be favorable. It also seems that, perhaps because of this, upgrading training, on an "as-needed" basis, will be implemented rather than a system (even a partial system) of career progression. The benefits of such training are likely to be immediate and obvious. While this type of program does not meet the need for expanding visible career opportunities believed to be necessary to reduce turnover and improve morale, it is thought of as increasing productivity and this is an important consideration. At the back of this consideration is the expectation that with greater productivity either fewer people can be employed or more people can be served with the same staff. In the longer term, higher wages could be paid, but little is heard of this from the senior members of management.

Another general point that seems to emerge is that the personnel policies and procedures of the industry are very unsophisticated, and management exercises a control, sometimes arbitrary, that is rarely found in manufacturing industries. A career progression system does not, under these circumstances, have any psychological or organizational forebears in the corporation. This makes it difficult to institute, while at the same time there is sometimes a resistance because the more rationally regulated promotions and transfers become, the less often can management exercise arbitrary prerogative.

Recommendations for Future R&D Work

The following recommendations are distilled from the preceding findings. Although, strictly, they related to future R&D efforts, some of them also have applicability to manpower programs in general.

Picking Host Organizations and Sites. The site selection process involves three levels of choice: the industry, the host corporation, and the host site(s) within the corporation.

(1) The project's original criteria for corporate selection were necessary though not sufficient. These criteria included: (a) that each corporation selected by typical of its industry sector; (b) that each host corporation have at least two sites in the Chicago area; (c) that potential host corporations demonstrate their willingness, indeed their positive inclination, to participate in the CTS; (d) that host corporations have problems at non-management levels with such factors as turnover, absenteeism, employee productivity, recruiting and upgrading of hourly employees.

(2) A potential host corporation should agree to conduct jointly with the project team a problem definition phase which, while focusing on personnel systems, probes as well the corporate and management contexts within which those systems are located.

(3) Potential host corporations should agree to give an operational mandate to their project liaison officers and representatives. If these liaison officers are unable to represent the corporation in middle-level decisions, then the project will incur frequent delays over the lack of accessible authority to expedite non-structurally significant decisions of the project team. In the case of the CTS, securing data from a personnel manager who was not given the authority to release such information required petitioning through the corporate hierarchy until a responsible officer could be persuaded of the utility of such a request. This was inefficient for all concerned. It would be equally wasteful to use a top-ranking executive as liaison to the staff. While access to high levels of management are necessary, daily contact should be through middle-level operating staff officers who have been given the necessary authority from above to preside over most of the ordinary functions of the collaborative relationship.

(4) The corporation should include the project in its overall priority structure. Prior to selection,

corporations should agree to prioritize the career system inquiry along with other corporate business, in order to make cooperation of staff members an integral part of their corporate duty.

(5) Before selecting a corporation as a site, the project team should insure that site management is involved alongside corporate management in briefings concerning the operational aspects of the project.

(6) Before a corporation agrees to participate or the project team agrees to solicit the participation of a host corporation, there must be agreement all around that corporation representatives understand to the fullest the likely costs and benefits of corporate involvement, the time frame within which costs and benefits may be achieved, the risks of involvement, and the limitations of career progression systems in meeting the observed problems of the corporation.

(7) In the final analysis, a corporation's willingness to participate in a venture such as CTS must be based on its perceived self-interests for so doing. This must be understood before participation is ratified. While recruitment of organizations for the CTS may have been facilitated through use of the foodservice industry's "old boy network" more than simple friendship between trade association executives and corporate leadership is required as a mandate to cooperation. The chief corporate executive will not be involved in a day-to-day sense in project activities, nor will he be held accountable for the status of the project. To rely on his connections with the trade association as a vehicle for effecting and sustaining the research relationship between trade association and corporation is to deny the ultimate rationality of a corporation's decision with respect to implementing a structural modification in its personnel system.

(8) Site management must be amenable to the goals and procedures of the venture before a corporation agrees to participate in a collaborative relationship with the researchers.

(9) Future projects should focus on finding sites which are structurally amenable to career progression planning concepts rather than those merely willing to entertain such systems.

(10) A trade association itself should undergo training in the site selection process prior to the project's first efforts to that effect.

Understanding Project Goals. The multiplicity of agendas being addressed by any R&D effort can easily lead to misunderstandings and misplaced expectations among parties to the project. To avoid this requires, at the outset, a conjunctive effort to formalize and plan the outlines of the venture as well as its functional components: inputs, evaluation requirements, intermediate goals, etc. In addition, a project requires continuous attention to its goals and to the participants' perceptions of those goals. Some recommendations to this end may be distilled from an analysis of the CTS experience.

(1) The project leadership should assume that host management hears only what it wants to hear from project spokespeople, and is unlikely to fully understand project goals and methods. Therefore, continuous repetition, clarification and exposition by the project team of goals and methods are essential to project functioning. The intention here is to sensitize prospective project leadership to the fragility and temporality of its mandate from the host organizations. That mandate extends only so far as host management believes it should extend - a judgment which management makes in view of its understanding of the purposes of the project. In the CTS, confusion at this level severely shackled the project in its efforts to design and implement career systems at the sites. The misunderstandings of purpose took place on several levels at once.

First there was confusion over whether the CTS was a research effort (i.e., a study) or an implementation project which included some developmental and research goals (i.e., a program design and policy analysis effort). The CTS was intended as both, with implementation contingent on a favorable reception to both theoretical and practical returns to the research inquiry. The host organizations at

various times saw the CTS as totally theoretical, and, therefore, detached from practical corporate needs, or as completely oriented to demonstration, though lacking a preliminary "feasibility" study. The project team should make it clear to host organizations that any decision to proceed must be jointly arrived at by researchers and host representatives, in light of the conceptual developments of the project and their practical ramifications to the host organization. It is recommended that the initial research efforts be broadened to include a study of the feasibility of pursuing implementation of career systems at the host site. This feasibility study can bridge the gap between the design and implementation aspects of the study - a gap which was neither recognized completely nor negotiated adequately in the CTS.

Second, there was a completely natural tendency for host organization representatives to view the CTS as conceptually oriented toward career planning but practically concerned almost solely with skills training. Project leaders should continuously stress the distinctions between such related concepts as career planning and training, and between the structural implications of implementing career planning as distinguished from the operational ramifications of conducting systematic training exercises. In the CTS such distinctions gave way to a view that career thinking meant little more than modifications in operating procedures.

Third, the presence of outsiders within the organization's territory necessitates an ongoing cultivation of trust, cooperation and collaboration among project researchers and host personnel (at executive, staff and line levels.) The collegial climate required of a collaborative venture such as the CTS was not sufficiently in evidence in this instance, leading to unnecessary distance between researchers and host organizations. While it was in the interest of the research team to minimize such distance, the kinds of communications and briefings required to do so often were foregone. The absence of the proper climate made the move from the esoteric aspects of research to the concrete aspects of implementation

appear awesome and threatening. Much more time and energy could have been devoted to preparing the ground for this transition, to the ultimate benefit of the project.

(2) The project must delimit its ultimate goals, preserving thereby the autonomy of the host organization in enacting major changes in policy or program. Pursuing career progression planning means, for most firms in the foodservice industry, radically altering the structural aspects of labor utilization and personnel development. The CTS was directed toward such a change, and when the structural implications of such change became clearer to host organizations, they naturally resisted its implementation. This resistance stemmed from the gross systemic impact of career planning systems rather than the refinements of the specific plan offered each firm. A more circumscribed goal for the project overall would probably have improved the chances of eventually effecting the desired structural change.

The following ultimate project goal is recommended as more realistic in light of this situation: Assistance to firms in developing a substantial awareness of the constellation of structural and operational issues and relationships surrounding career planning systems, thus enabling them, if they so choose, to employ the appropriate technical assistance in designing and implementing career progression systems as permanent features of corporate personnel and resource planning and development procedures. Such a goal suggests, unlike the CTS, that the firm is to be educated to the point of making its own decisions for or against career planning systems. It further places the burden of embracing such systems on the firm, where it belongs, but only after the firm fully understands the structural as well as operational implications of such systems. There is no indication that the firm <u>will</u> agree to adopt a career planning system. The CTS demonstrates, however, that in practical terms such a decision cannot be forced on a firm simply because of the firm's general acceptance of the goals of an R&D exercise with which it is involved. Recognizing a limited objective more nearly approximates

the kind of goal likely to prevail for a trade association once direct support from the DOL has lapsed. It recognizes the extent to which a trade association's resources (and legal mandates) severely limit the direct assistance activities of that association. In the event that a firm chooses to proceed toward adopting career planning, it may be inferred that (a) the trade association's assistance has been instrumental in the decision, and (b) that further technical support from the association, where and if appropriate, may be made available to the firm for actual design and implementation activity. This meets the national policy objectives of DOL in a manner consistent with the legal and resource constraints on the trade association, and in a manner suitable to a firm's interests in retaining policy prerogatives.

The Importance of the Overall Management Environment. While the three host corporations associated with the CTS during the time of HDC's involvement have demonstrated a willingness and an inclination to modernize ("upgrade") management's repertoire of skills and resources, each has also shown in its management ranks the vestiges of an industry long dominated by the vagaries of consumer appetites, whether for automats or cafeteria or waiter service, pizza or hamburger, elegant dining or efficient eating. Overall, the management environment of these host sites, and probably of the industry generally, was best characterized by an executive of one of the CTS host corporations, who said: "There are two management styles, finesse and brute strength or clumsiness. In this industry we subscribe to the latter mode. When confronted by consultants given to expressing themselves with finesse and sophistication, we're lost before we even start listening." This environment affected the project from three directions: comprehension, collaboration and time frame.

(1) Comprehension: It may be useful to keep in mind that applied social science research can be a mysterious process to executives who have been exposed, if at all, only to market research. It is recommended that future projects attend patiently to the process of de-mystifying research activities for the benefit of industry management, thus lessening the intellectual and professional distances between management and research team. Failure to

do this in the CTS venture led to an uneasiness on management's part toward the esoteric processes of research unfolding before them. The research team must take seriously its obligation to educate management in what researchers are doing, how they are doing it, and why they must do it.

Though necessary, such educational activities may not be sufficient. It may be necessary, in addition, to provide management with "hands-on experience" in the research processes, thus sensitizing them to some of the gross distinctions between the art and science of research and the more familiar decision-making techniques which prevail in their industry. This will, of course, be less necessary among executives who have experience in or knowledge of applied social science research methods and meanings, much as it is less necessary to consciously introduce farm children to horses than the offspring of city dwellers. Familiarity with the processes will also help create the kinds of common professional bonds which were lacking in the CTS study.

In general terms, it is necessary to gauge management's abilities to understand the processes involved in the venture, and to pace the project in accordance with management's abilities to maintain currency with the operations. Failure to do this invites suspicion or disinterest, either of which is inimical to the interests of the project's objectives.

(2) Collaboration: It is necessary to project success to achieve a spirit of collaboration and cooperation among consultants, trade association representatives and host organization liaison personnel. CTS and similar projects are like treasure hunts with each of the parties to the hunt holding one piece of the map. Without a collaborative effort, the process experts and the industry representatives cannot fully sense each other's limitations, nor can they appreciate the needs and resources of or constraints upon the host corporation. The project will suffer directly as one element fails to integrate its work with the expectations and needs of the others. HDC recommends that vehicles be sought for enabling collaborative relations to develop and manifest themselves continuously

over the life of the project. Beginning with joint negotiation of project parameters and proceeding through joint site selection and research should help enable the research team to function in an integrated fashion. Further vehicles may be necessary to bring the host organization representatives into the union. Recommended are such vehicles as regular briefings jointly by researchers and host corporation liaisons for the benefit of host corporation decision-makers, and regular presentations at seminars for corporate personnel of some of the findings of the research, design and implementation efforts. Additionally, a certain amount of hand-holding and massaging may be useful when liaisons are burdened by assignments from headquarters which interfere with their duties toward the project itself. Finally, frequent renewals of the joint mandate from corporate management of liaison officers and researchers may help to assure the individual components to the project team that their efforts are mutually reinforcing. While the liaison officers should continue to hold primary loyalties to the corporation and not the project team, they should have a great enough stake in the works of the researchers to be able to apply their energies to the project wholeheartedly. In the same fashion, while the purpose of the researchers' presence is to serve the needs of the corporation, they should be aware of the need to serve without jeopardizing the standing of the liaison officers. When the self-interests of researchers and liaison officers intersect, collaboration may be said to be achieved. While this happened occasionally during the CTS effort, it was more the exception than the rule.

(3) Time Frame: Based on the experiences of the CTS, we recommend that attention be paid to the different time frames familiar to researchers and host corporation management. Specifically, we recommend an extensive educational effort into the time factors pertinent to career progression plan design, implementation and evaluation. There were three levels to the time frame problem in the CTS, and each level demands our inspection.

First, the execution time for the research and design processes included time spent away from the experi-

mental site, out of the range of corporate executives and liaisons. To many of them this time appeared wasted, while in reality much of it was devoted to important conceptual and analytical work. An effort should be made early in the project to set a timetable which is intelligible to the host corporations, thus allowing corporate leadership to assess the projects progress in terms relevant to the project's character.

Secondly, while experienced researchers may appreciate the necessity of "seasoning" a plan or program, this mentality is likely to be foreign to corporate executives who lack a tradition of long-range planning in their management activities. During negotiations over site selection and corporate involvement, it should be made clear to the potential host corporations that research must steep for a time until it can comfortably settle into the niche created for it in the real world. This steeping-time should be anticipated by all concerned from the outset, lest it seem like an abandonment of the project at midstream.

Third, researchers and host corporations should jointly develop a time chart indicating the expected costs, benefits, and goals of the effort as a function of time. By building a step-wise progression of goals and intermediate attainments alongside a step-wise progression of expected costs and benefits to the corporation, the project overall becomes a series of mini-projects, each having a start and a finish, each separable conceptually (if not operationally), and each providing a hint of progress during what could be a multi-year period between project initiation and ultimate payoff the corporation.

Ultimately, the worth of a career progression plan is only as great as management thinks; that is, a judgment which should be informed by more than simple and direct knowledge of the plan itself. It must at the very least include an appreciation for the critical elements and interactions of the corporate structure into which the career progression

program has been fitted. In the case where management lacks such a critical appreciation, or lacks the tools for making such assessments, the interests of implementing and successfully integrating a career progression plan within a corporate environment may depend on the research team's ability to bring general management skills to the corporation, relating those skills to personnel matters where necessary.

CHAPTER IV

Characteristics and Problems of Research Sites

Description of Institutional Foodservice Corporation (IFS)

Background of the Company. IFS specializes in institutional foodservice and vending operations and administers sixteen commercial restaurants.

As part of a major corporate conglomerate principally identified with communications, its annual corporate sales approximate $340,000,000. The Institutional Foodservice Division, within which this Study was conducted, generates approximately $60,000,000 of annual sales in its national operations. It is worth noting that the Institutional Foodservices are small in comparison with Vending operations, and are historically not profitable to the corporation. They do serve, however, to improve the attractiveness of the Vending service to client companies.

IFS emplcys some 13,800 people nationally, most of them in industrial foodservice units. In its Chicago operations, the Institutional Foodservice Division runs twenty-two manual foodservice units employing about 450 people. These units range in size from three employees to ninety-one.

Description of Principal IFS Research Unit

Based upon a decision involving all of the participants (IFS, university consultants, NRA and HDC project staffs), IFS(1), with forty full-time personnel, was designated as the "experimental" unit and IFS(2), with twenty-six full-time personnel, as a "comparison" unit. In due course, IFS(2) decided not to continue with the project, because their client objected to "outsiders" being able to visit the site, where much confidential R&D work was conducted. No other control or comparison unit could be found.

IFS(1) is under a contract to a prominent insurance company located in Chicago's Loop. IFS has held the foodservice contract with this unit for the past eight years, and is regarded by IFS as a model operation. The clientele consists of office and security employees of the insurance company.

Data on the experimental unit were collected during the first three months of the project, from July 15th through October 15, 1971. The data covered a nine-month period from November 1, 1970 through July 1971.[8/]

Organization. Within the IFS(1) unit, it was found that twelve job titles were assigned to the forty employees. The titles, arranged according to wage rankings were as follows:

Title	Number of Employees
Manager	1
Chef	1
Head Baker	1
First Cook	2
Leader General	1
Assistant Manager	1
Second Cook	1
Head Salad Preparer	1
Cook's Helper (Bake Shop)	1
Cashier/Line Counter Server	4
Salad Preparer	1
Cook's Helper (Kitchen)	1
General Worker	24
	40

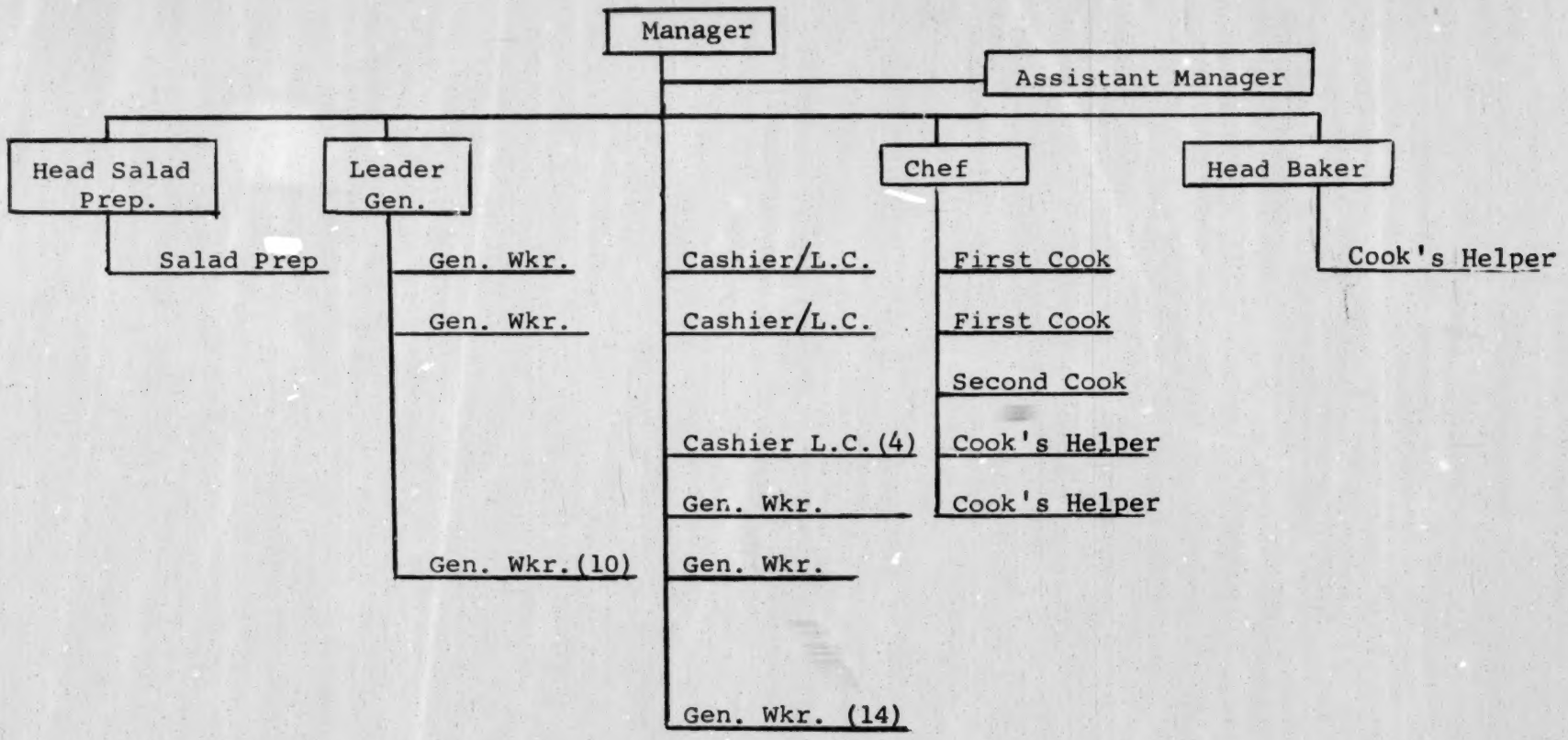
The formal organization of these jobs at the IFS(1) unit is illustrated in Figure 1. (In practice, lines of authority are somewhat different, but this is largely irrelevant to the present project.) Structurally, the unit constituted a "flat organization," characterized by a large number of employees - over half the work force - at one low salary level. Thirteen wage rankings were identified, some of which include employees with five to ten cents variation in hourly rates. Even though there was differentiation among the General Workers with respect to the task content of their jobs, there was little variance in wages; considering the four lowest wage rankings, there was only a thirty cent-per-hour wage differential between the General Workers and the Cashiers/ Line Counter Servers.

8/ This corresponded to the time interval during which IFS had operated the IFS(2) unit, originally conceived as a control/ comparison group; the purpose was to have comparable base-line data for experimental and control units.

Figure 1

Formal Structure of Supervisory Responsibility:

IFS(1)



IFS sought to utilize a minimum number of job titles. Although differences in job duties within a single title were acknowledged, the Corporation found it advantageous to classify as many employees as possible within the General Worker category. This corporate position on job classifications was in part, a response to IFS' experience with unions in the foodservice industry. (IFS(1) was not unionized.) The job classification system precluded union intervention with respect to work rules. Retaining employees in the General Worker classification permitted IFS to assign them to a variety of tasks without the restrictions which might be imposed by the work rules of a union contract.

Of particular significance to this Study is the finding that the annual turnover rate for the IFS(1) unit (8/70—7/71) was 52.5%. Further analysis showed that in the experimental unit all of the turnover took place within the EEOC "Service Worker" category, which at IFS(1) was the General Worker title. It is significant to note that this category was dominated by Mexican-born males who performed dishwashing and other maintenance chores. All of these Mexican employees had severe problems with the English language. Their job skill levels were comparatively low. The Mexicans employed in this unit earned the lowest wage rates of all males in the unit.9/

Mobility Patterns. All promotions within the IFS(1) unit were traced from the time IFS acquired the unit eight years ago. Only eight persons had been promoted during that period (Figure 2).

Five of the eight promotions involved people who had worked for the Assistant Manager before IFS was awarded the IFS(1) contract. They were all white females over 56 years of age and were in higher wage categories than other employees who operated at the same or higher skill levels. These "overlooked" employees were black females who had the title of General Worker and earned about $1.85 an hour compared to $2.10 to $2.15 an hour for those persons promoted by the Assistant Manager.

In some respects, promotions from General Worker to Cashier/

9/ The only exception was the Leader General, who functioned as supervisor of the Mexican employees and, among sixteen positions, ranked sixth highest in wage rate - a situation unique to this unit.

Figure 2

IFS(1) Intra-Unit Promotions

	Beginning Job → Current Title	Total Time (Mos.)
1	General Worker (* mo.) → Second Cook (36 mo.) → Head Baker (6 mo.) → Leader (12 mo.) → Leader General (6 mo.)	60
2	Cashier (30 mo.) → Head Salad Preparer (30 mo.)	60
3	Dinner Cook (41 mo.) → Chef (27 mo.)	68
4	General Worker (18 mo.) → Cashier/Line Counter Server (48 mo.)	66
5	General Worker (41 mo.) → Cashier/Line Counter Server (30 mo.)	71
6	General Worker (54 mo.) → Cashier/Line Counter Server (30 mo.)	84
7	General Worker (36 mo.) → Cashier/Line Counter Server (12 mo.)	48
8	General Worker (6 mo.) → Cook's Helper (1 mo.)	7

* Information not available

Line Counter Server were not visible ones. The new titles did not entail changes in the employees' duties or responsibilities. These instances of upward mobility were wage increases only.

In sum, the mobility process within the unit was limited in scope and the criteria for promotion were subjective in nature.

The analysis of the IFS(1) unit indicated that a career progression system within that unit was impractical because:

- sufficent manpower needs did not exist or were not projected within the unit;
- turnover was limited to entry-level positions;
- the age profile was such that no job openings would become available due to retirements in the foreseeable future.

Description of the Twenty-Two Unit Chicago Cluster

The Study was expanded in the light of these findings to cover all twenty-two operating units within the city limits of Chicago, clustering them to determine whether an inter-unit career progression system would be feasible. Feasibility data were requested from IFS corporate offices detailing:

- Current employment by unit for the calendar years 1970 and 1971 within Chicago, broken down by:
  - name of employee;
  - current job title;
  - effective date of current job title;
  - current wage rate;
  - previous job titles;
  - previous pay rates;
  - date of hire;
  - date of birth;
  - sex;
  - national origin.
- Quarterly reports of terminations by unit for calendar years 1970 and 1971, including:
  - name of employee;

- date of termination;
- job title;
- reason for separation;
- date of hire.

The data were used to identify the current staffing and hiring patterns of each unit and of the "cluster" as a whole, as well as to identify points at which skills shortages were most likely to occur.

Upon analysis of these data and presentation to operating officers of IFS, it was jointly determined that implementation of a viable career progression system for a cluster of units would be feasible.

Hiring Patterns

IFS had a history of hiring persons into the operating units at all skill levels. Consequently, although promotions of hourly workers were occasionally effected, there were no formal, systematic promotional procedures below management levels. Table 1 lists most of the job titles found within the Chicago cluster, including the number hired in the previous 24 months. Since little upward mobility took place, most of the jobs listed constitute dead-ends.

Annual turnover was 59% overall, and over 50% in many skilled jobs. Examination of the hiring patterns, focusing only on those jobs above entry level for which persons had been hired from the external labor market during the two-year period under review, indicates a substantial number of skilled job openings for which IFS hired from outside the company.

These data suggest that, although IFS did sometimes promote from within the company, the hiring patterns of the Chicago units emphasized "buying" rather than "building" skilled labor. Moreover, the substantial percentages of skilled level job titles which had been filled during the past two years suggested that terminations above the entry level were at a higher rate than would be advantageous for maintenance of a stable, productive work force. A 59% turnover is estimated as costing, directly, over $100,000 per year.10/

10/ These turnover costs are based on the NRA formula that, on average, a replacement "costs" the firm one-twelfth of an employee's annual wage.

Table 1

Summary of Staffing/Hiring Patterns:
IFS - Chicago Units

Title	Average Wage	Number In Title	Number Hired 1970-71	Percent 1970-71
Manager	4.82/hr.	16	7	44%
Head Baker	4.00/hr.	2	-	
Chef	3.75/hr.	12	3	25%
Chef Mgr.	3.69/hr.	6	-	
Ass't. Mgr.	3.05/hr.	11	3	27%
First Cook	3.00/hr.	11	7	64%
Bookkeeper	2.50/hr.	8	3	38%
Cook	2.46/hr.	12	2	17%
Food Unit Leader	2.43/hr.**	9	8	89%
Fry Cook	2.23/hr.	11	6	55%
Second Cook	2.23/hr.	12	4	19%
Wagon Cart Operator	2.21/hr.	3	1	33%
Head Salad/Sand. Prep.	2.17/hr.	4	1	25%
Cashier, L.C.	2.10/hr.	40	22	55%
Pantry Attn.	2.10/hr.	1	1	100%
Cook's Helper	2.09/hr.	17	8	47%
Leader General	2.01/hr.*	3	6	200%
Store Room Man	2.00/hr.	4	1	25%
Salad & Sand. Prep.	1.98/hr.	5	14	280%
Salad Prep.	1.90/hr.	17	9	53%
General Worker, Dishwasher, Potwasher, Busboy	1.90/hr.	271	174	64%
Totals:		477	280	59%

* Not including 1@ 3.38/hr. (IFS(1))

** Not including 1@ 4.62/hr. (IFS(3))

Description of Commercial Restaurant Corporation (CR) and Its Two Units

Background. Commercial or proprietary restaurants constitute the largest segment of the foodservice industry. These restaurants often exhibit, in a single small facility, the numerous problems which beset the entire industry: high turnover; absenteeism; lack of reliable skilled workers; poor quality-control; insufficient productivity; rising food costs; union concern; and increasing competition (particularly in the fast-food franchising operations).

The Commercial Restaurant (CR) that agreed to participate in the Career and Training Study was a two-unit, family-owned restaurant. The two restaurants, CR(1) and CR(2), have excellent locations within the Chicago area: one on the North Side; the other at a major off-ramp of an expressway. Both restaurants are open twenty-four hours a day. CR(1) was approximately sixteen years old, while CR(2) had been open for approximately four years. Menus were quite similar for the two restaurants; the management used daily inserts to specify variable items for luncheon or dinner.

Both restaurants consisted of a dining room, coffee shop and bar-cocktail lounge providing beverage service for the dining room. In both establishments, pastries, breads, pies and other specialties were baked on the premises. Management considered the bakery products, served and sold over the counter at the bakery sales unit, essential to the reputation and profitability of the corporation.

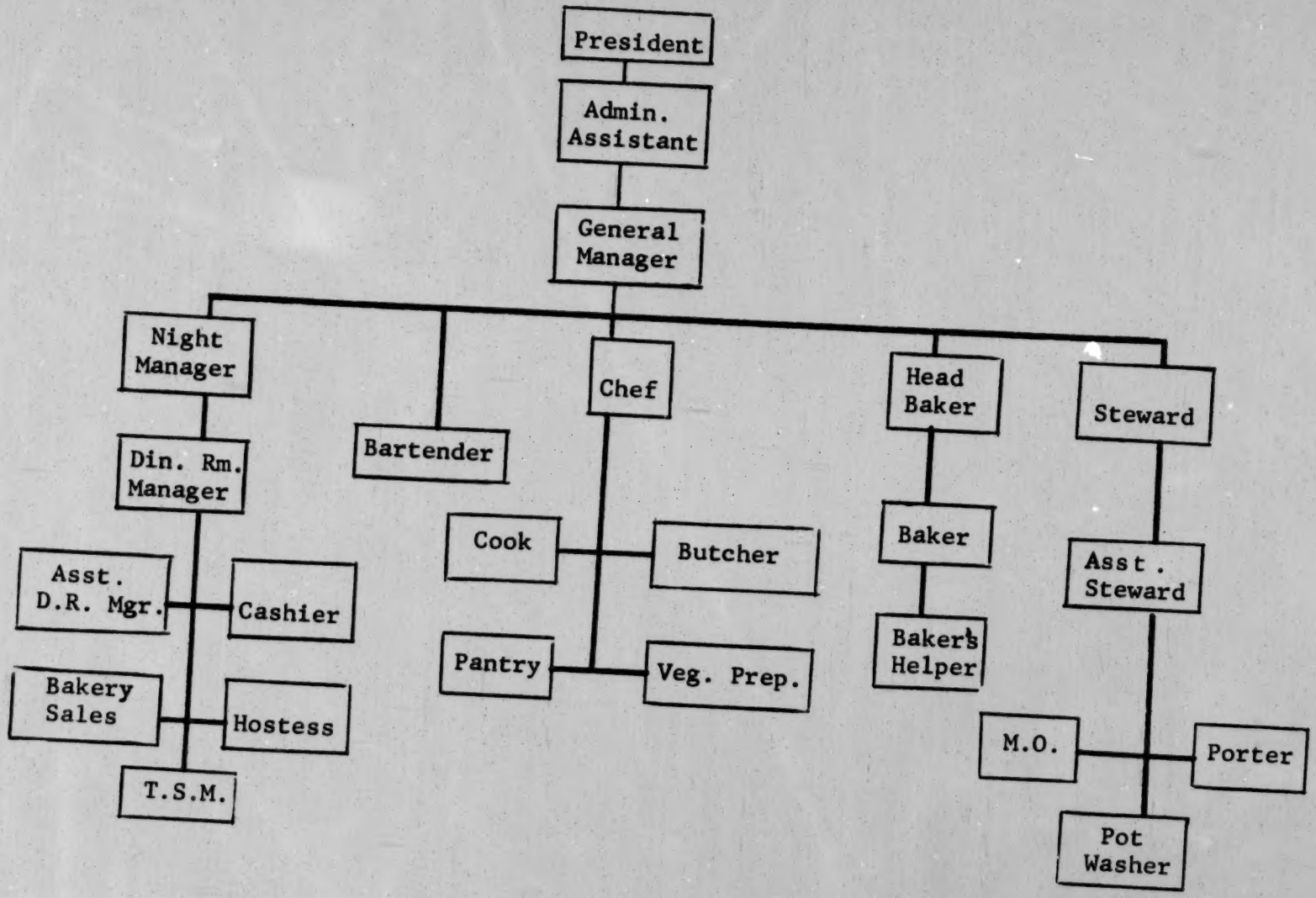
Organization of the CR. All administrative and management staff were employed by a separate corporation and assigned to either establishment on an as-needed basis. To account for these services, 10% of the gross sales from each unit was paid to this corporation.

Figure 3 presents the organization chart for the two restaurants. Each unit includes both hourly employees and management personnel. The General Manager of each store, who was responsible for the overall operation of the unit, reported to the President through an Administrative Assistant.

The Night Manager, Dining Room Managers (other than at night), Steward, Chef and Head Baker each reported directly to the General Manager and were responsible for the proper operation of their own departments.

Figure 3

CR Organization Chart



The hourly employees within each department, in turn, reported to their immediate supervisors for direction and/or assignment. At CR(2), there were 74.5 hourly employees and at CR(1), 89. The breakdown by job title is presented in Table 2.

The organizational analysis showed that, as of the first quarter of 1972:

- minorities equalled approximately 43% of the total work force, mostly in the back-of-the-house activities; in the Chicago external labor force, the minority population was 35%;
- approximately 52% of the work force was female and 48% male;
- about two in three had not been employed by CR for more than one year;
- absenteeism was moderate, varying from store to store by rates and by job categories affected;
- tardiness was only a minor nuisance;
- turnover was a major problem at both units, with annual rates running as high as 800% (Baker), 700% (Porter), 569% (Table Service Man) and 333% (Cashier). In the two units, the overall percent annual turnover was 232% and 267% in the 1970-1971 period. The first quarter of 1972 showed comparable rates still prevailing. The majority of the separations were voluntary. Thus, in order to keep a constant work force of approximately 175, CR must hire and train 425 persons annually.11/

Job and Wage Structure (Non-Management). As of April 1972, there were the equivalent of about 200 full-time non-management employees in the two units (106 at CR(1) and 90.5 at CR(2)).12/

11/ Data on turnover are for the twelve-month period November 1, 1970 to October 30, 1971.

12/ A part-time employee, working less than 30 hours per week, is treated as equivalent to half full-time worker.

Table 2

Current Employees Analyzed by Job Title

	CR(1)		CR(2)	
	No.*	%**	No.*	%**
Hostess	40.5	45.5	31.0	41.6
Table Serv. Man	11.0	12.4	7.5	10.1
Cashier	3.0	3.4	3.0	4.0
Bake Sales	2.5	2.8	3.0	4.0
Cook	8.0	9.0	10.0	13.4
Pantry	4.0	4.0	4.0	5.4
Veg. Prep.	1.0	1.1	1.0	1.3
Baker	2.0	2.2	2.0	2.9
Baker's Helper	1.0	1.1	1.0	1.3
Machine Operator	8.0	9.0	5.5	7.4
Porter	2.0	2.2	2.0	2.9
Steward	2.0	2.2	1.0	1.3
Hat Check	1.0	1.1	1.0	1.3
Bartender	3.0	3.4	2.5	3.4
Total	89.0		74.5	

* Number of employees presented are full-time equivalents. Part-time employees are calculated on the basis of two permanent part-time (less than 30 hours/week) equalling one full-time equivalent. Part-time, on-call and leave-of-absence employees are not included.

** Percent of total work force in job category.

Table 3 and Figure 4 show the non-management job and wage structure for CR(1) and CR(2). There were twenty-two gradations starting at less than $1.00 per hour for Hostesses and rising to $3.95 per hour for the most senior Chef. The increments between steps are 10—15 cents (with the exception of Hostess to Table Service Man, where the bigger differential presumably recognizes the Hostess' tips).

The number of job slots available toward the top of the structure tails off sharply. Roughly half the employees were earning $1.60 or less per hour and three quarters were earning $2.00 or less per hour. The structure was, therefore, condensed despite a 1:4 wage ratio from bottom to top. Mobility space was sharply restricted.

Mobility Patterns. At the beginning of this Study, most hourly employees were hired through a central personnel office, with final interview and decision made at the store to which the employee would be assigned. This practice was discontinued and hiring is currently being done independently at each store by the appropriate supervisory personnel assigned there. Recruiting practices included use of employment agencies for skilled positions, and newspaper advertisements and word-of-mouth for unskilled ones. In addition to formal recruiting, walk-ins were also hired to fill positions at all levels.

Although there had been promotions among the hourly employees at CR, there was no formalized or systematic career progression system in effect. Of the 200 hourly employees at both operations, fourteen had been promoted to their present positions while employed at CR. They included two Hostesses, two Cooks, two Machine Operators (M.O.), one Steward, one Cashier, one Bakery Sales Girl, two Table Service Men, one Pantry Girl, one Baker and Assistant Head Steward. The promotional paths followed by these employees are presented in Figure 5.

The promotional histories and personnel files for salaried management personnel are not complete. However, analysis of the available data suggests that five Dining Room Managers (D.R.M.), one Foodservice Supervisor and one General Manager were promoted from hourly employees to their present positions at CR. Thus, though no formal career system exists, there appears to have been an attempt on the part of CR management to promote from within whenever it was felt that an individual

Table 3

Wage Structure for CR(1) and CR(2) (Combined)
April 1972

Wage Range	No.	Position
$3.81-3.95	1.0	Cook (1)
$3.66-3.80	1.0	Cook (1)
$3.51-3.65	1.0	Baker (1)
$3.36-3.50	1.0	Bartender (1)
$3.21-3.35	3.0	Baker (1); Cook (2)
$3.06-3.20	4.0	Baker (1); Cook (3)
$2.91-3.05	7.5	Bartender (1 and 1 part-time); Baker (2); Cook (4)
$2.76-2.90	3.0	Cook (3)
$2.61-2.75	8.0	Bartender (1); Pantry (1); Cook (5)
$2.46-2.60	1.5	Bartender (1 and 1 part-time)
$2.31-2.45	5.5	Bartender (1 and 1 part-time); Cook (2); Cashier (2)
$2.16-2.30	4.0	Management Trainee (1); Pantry (2); Cashier (1)
$2.01-2.15	6.0	Machine Operator (2); Pantry (2); Bake Sale (1); Cashier (1)
$1.91-2.00	21.0	Bake Sale (3 and 2 part-time); Pantry (7); Cashier (2 and 1 part-time); Veg. Prep. (1); Porter (1); Management Trainees (2); Expediter (1); Hat Check (2 and 1 part-time)
$1.81-1.90	7.0	Steward and Assist. Steward (2); Machine Operator (4); Bake Sale (1)
$1.71-1.80	19.5	Steward and Assist. Steward (3); Hat Check (1 and 1 part-time); Machine Operator (7); Porter (7); Veg. Prep. (1)
$1.61-1.70	4.5	Steward and Assist. Steward (1); Porter (1); Machine Operator (2 and 1 part-time)
$1.51-1.60	1.5	Bake Sale (1 and 1 part-time)
$1.41-1.50	1	Table Service Man (1)
$1.31-1.40	2	Table Service Man (2)
$1.21-1.30	16.0	Table Service Man (15 and 2 part-time)
Less than $1.00	77.5	Hostess (74 and 7 part-time)

Figure 4
Non-Management Employees by Wage Range

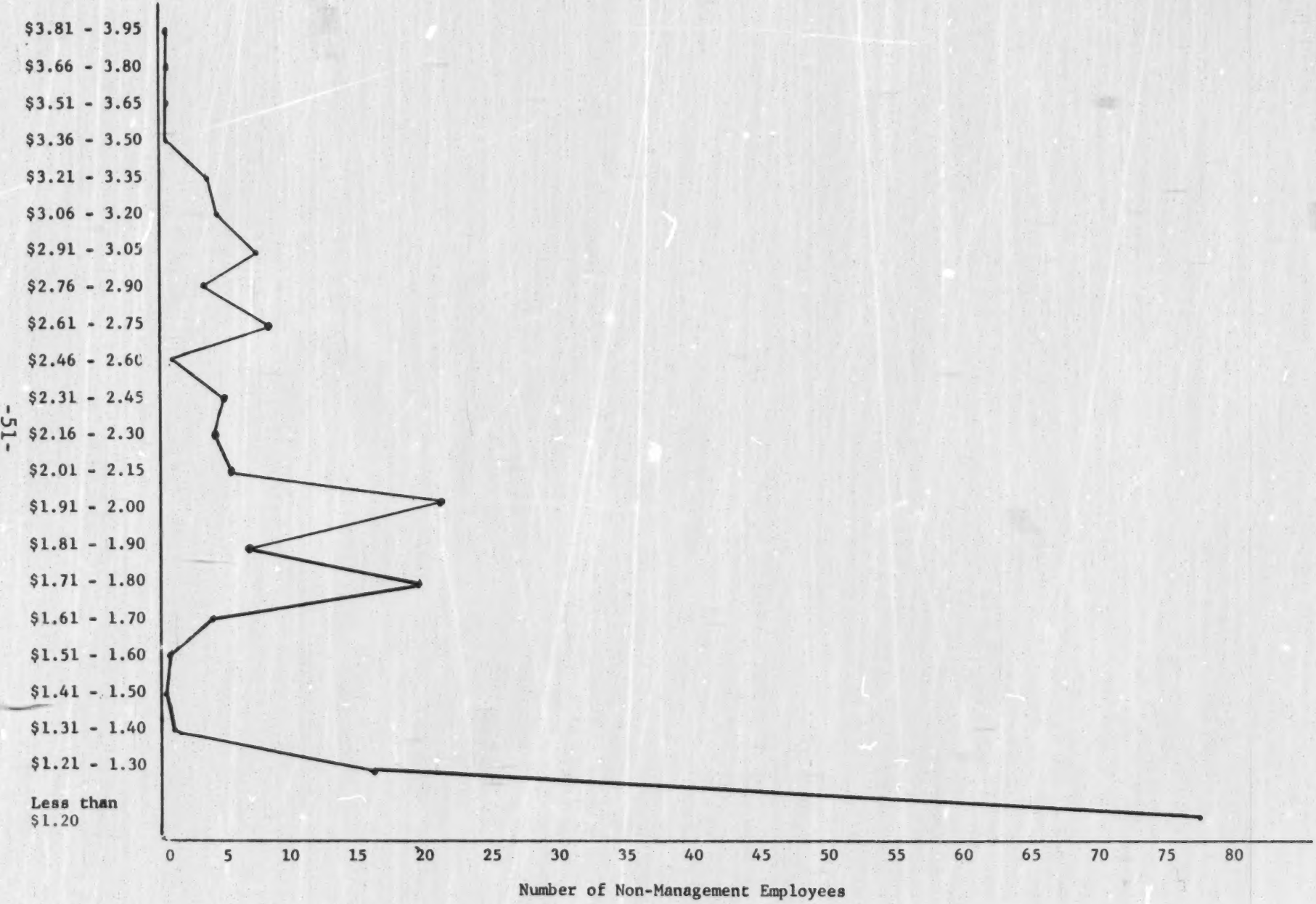
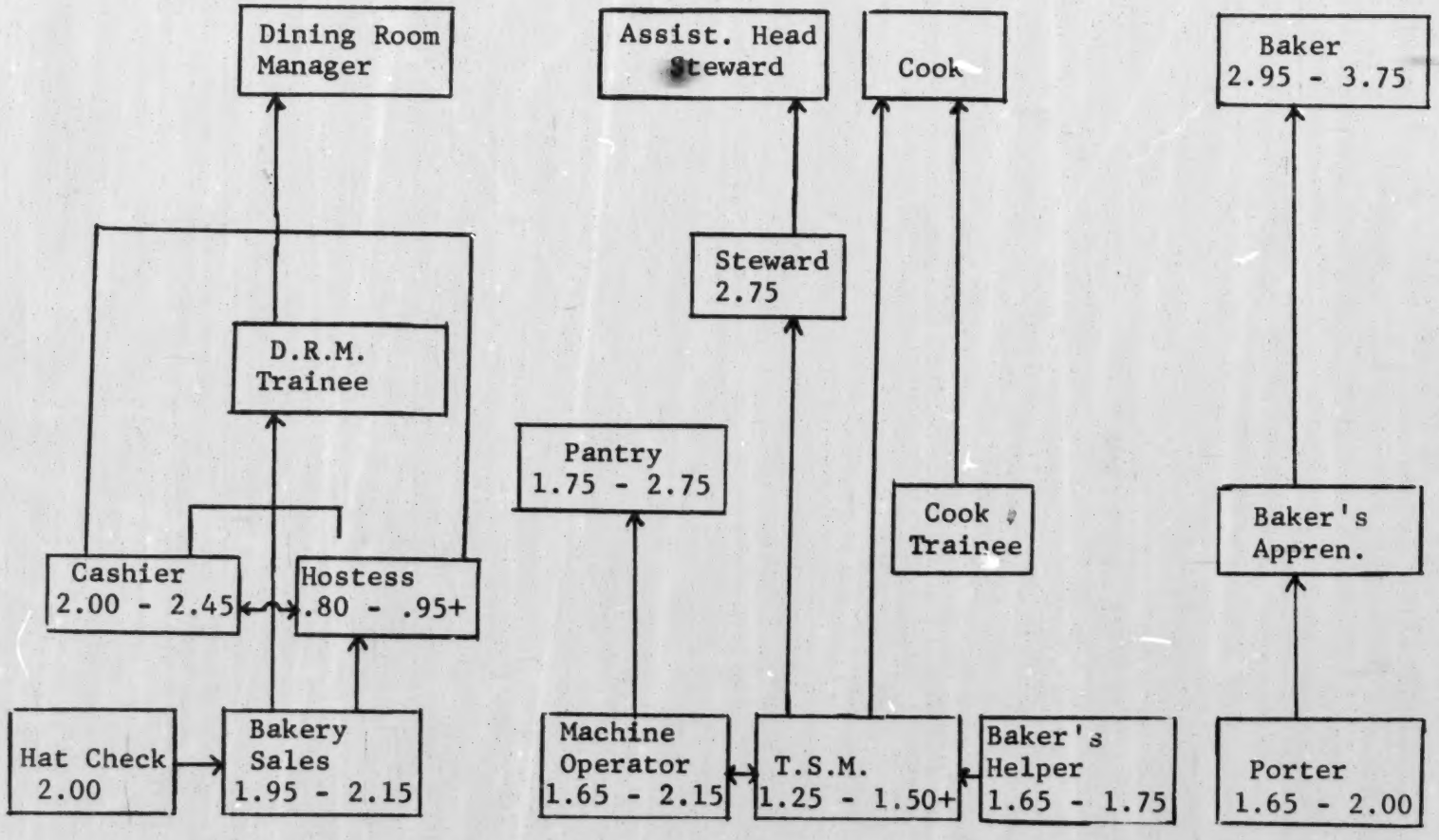


Figure 5

Promotional Patterns Followed by CR Employees



was qualified for a higher position. Becoming qualified for promotion was left up to each individual's ingenuity and cleverness.

Training, to the extent that it occurred, was on a relatively informal basis, with trainees being assigned to experienced personnel for learning the particulars of a new job. No formal learning materials were used for this training. Every new employee was given a CR Policy Manual and each new Hostess received, in addition, a Hostess Manual. These Manuals were not, in a strict sense, training oriented. Rather, they were "reference materials" to be read by the employee and referred to whenever a question regarding proper procedure arose.

Employee Satisfaction Survey.[13] One index employed to measure change resulting from the implementation of an upward mobility system was employee satisfaction. Details are on file with NRA and are not quoted here since their main purpose is to show change from the base data, rather than the base data per se. However, it is worth commenting on certain items dealing with progression opportunities and training.

To the statement "My chances to advance and get ahead in the company are good," respondents could check one of the following response categories: "strongly agree," "agree," "disagree," "strongly disagree." Nearly 45% of those responding endorsed the "disagree" or "strongly disagree" categories. This tendency was characteristic of respondents from all non-management jobs, although it was most prevalent for Table Service Men.

Respondents were also asked to respond to the statement "I could do a better job if I had more training." Approximately 55% of non-management employees "agreed." Among the Cooks, the sentiment was very strongly felt, 71% "agreeing" (with half of these "strongly agreeing"). About four in ten respondents disagreed with the statement "People can get all the training they want in the company."[14] Thus, there is

---

13/ The questionnaire was administered to all employees and anonymity assured. The percentage answering varied slightly from item to item, but was over 90%.

14/ Cooks were most likely to disagree with this statement, but disagreement was widespread throughout job titles.

evidence both of measurable employee dissatisfaction with progression opportunities and substantial desire for additional training.

Description of Hotel Foodservice Corporation (HFS) and the Research Site

Background. The HFS Corporation is a very large international chain of hotels and motels, with units in most major cities of the U.S. In Chicago, it has two large hotels in the central business district, one of which was selected for the experiment. The site chosen was thought by the corporation to have disturbing problems of turnover and productivity.[15/]

Organization

During 1972, the hotel employed slightly more than 1,000 permanent employees, with about 490, on average, in the food and beverage department.

Data from a random sample of 352 current non-management employees of the hotel pictured a work force that was 32% white, 39% black, 19% Spanish speaking and 10% "other". Three workers in five were males. Patterns of incumbency by sex and race are shown (Table 4) for the total sample and for jobs with two or more respondents in the sample. There was a generally fair distribution of jobs among the race groups, with a tendency for whites to hold front-of-the-house jobs with greater frequency than minorities. It was also the case, though not evident from these non-management employee data, that minority representation among management was low.

15/ Analysis of data for the food and beverage department demonstrated that turnover in these sections was not particularly high, although it was far from trivial. Since the NRA and HDC contracts specified work solely in foodservice functions, the project concentrated upon the food and beverage departments at the expense of hotel functions. Some information about the entire site operation has been collected, however, and is reported here where it seems relevant. In due course, the HFS is intending to incorporate the hotel and foodservice areas into a single career progression structure so that personnel development and management overall may be systematized.

Table 4

Demographic Analysis of Current Non-Management Employees of HFS (Total Hotel)

1. Sex and Race of Job Incumbent*

Code		No.	Sex		Race			
			Male	Female	White	Black	Spanish Speaking	Other
42	Captain	8	100%	-	25%	38%	-	37%
44	Waiter	33	100%	-	6%	79%	-	15%
46	Waitress	11	-	100%	82%	-	-	18%
45	Bussers	3	67%	33%	-	67%	33%	-
52	Dishwashers	5	100%	-	-	-	100%	-
181	Bartender	8	100%	-	25%	-	50%	25%
53	Bar Porter	4	100%	-	-	-	50%	50%
159	Front Office Cashier	5	20%	80%	40%	20%	-	40%
41	Receiving	2	100%	-	100%	-	-	-
80	Room Clerk	2	50%	50%	100%	-	-	-
98	Houseman	16	100%	-	-	75%	25%	-
96	Maids	52	-	100%	8%	82%	10%	-
101	Night Cleaners	12	42%	58%	8%	83%	8%	1%
	Total all jobs	352	61%	39%	32%	39%	19%	10%

* As of December 31, 1972. Based on a sample of 352.

An interesting phenomenon is the concentration of particular minority groups in particular jobs. For instance, all the dishwashers were Spanish-speaking while most of the housemen, maids and night cleaners were black. This situation occurred in many other job titles, and has implications for career progression designs. Women were often similarly situated, even though they were less evenly distributed among every non-management job (e.g., bartenders or captains).

In the food and beverage department (Table 5) there was a heavy concentration of males at the expense of females, but minorities were strongly represented. It is worth noting the concentration of Spanish-speaking employees in the beverage department, at the expense of blacks.

Table 6 shows that the median length of job incumbency for all non-management personnel in both hotel and foodservice functions is about seven years. While there was considerable variation from one job category to another, the overall weight of analysis suggests that people are dead-ended to a considerable extent in many of these low-skill jobs. In the food and beverage department, taken separately, median length of service for non-management personnel was about five years (Table 5, part 2).

Table 7 shows the annual separation rates for the hotel and the food and beverage department. In the hotel as a whole, the rate was about 54% in 1972. In the food and beverage department the 1972 figure was about 36%, a high, though not disastrously high, figure. Among hourly workers, the figure was approximately 15%, which is quite low. Turnover (replaced separations) was 51% for the entire hotel, and a low 15% for food and beverage. Annual costs of non-management turnover are estimated at $336,000 for the entire hotel, but at only $28,000 for the food and beverage department.16/ If accurate, this figure is not unmanageable by the hotel.

The largest turnover rates were found among chef's runners, second cooks, banquet housemen, service bartenders and commissary clerks ranging from 33% to 100% (Table 7).

16/ These turnover costs are based on the NRA formula that, on average, a replacement costs the firm one-twelfth of an employee's annual wage.

Table 5

Demographic Analysis of Current Non-Management Employees in Food and Beverage Department of HFS

1. Sex and Race of Job Incumbent*

		Sex		Race			
	Number	Male	Female	White	Black	Spanish-Speaking	Other
Food Department	124	87%	13%	19%	37%	27%	16%
Beverage Department	22	82%	18%	37%	-	45%	18%

2. Length of Service of Job Incumbent*

	Length of Service in Months:							Median in Months
	0-3	4-6	7-12	13-24	25-60	61-120	121+	
Food Department	3%	3%	6%	8%	17%	15%	45%	69
Beverage Department	-	-	-	18%	50%	23%	9%	47

* As of December 31, 1972. Based on a sample of 352.

Table 6

Demographic Analysis of Current Non-Management Employees of HFS (Total Hotel)

2. Length of Service of Job Incumbent*

Code	Length of Service in Months: 0-3	4-6	7-12	13-24	25-60	61-120	121+	Median in Months
42 Captain	-	-	13%	-	13%	38%	38%	100
44 Waiter	7%	7%	-	9%	15%	12%	48%	120
46 Waitress	-	-	9%	9%	27%	9%	45%	91
45 Bussers	-	-	-	33%	33%	-	33%	43
52 Dishwasher	-	-	20%	20%	-	-	60%	125
181 Bartender	-	-	-	-	50%	38%	13%	60
53 Bar Porter	-	-	-	50%	50%	-	-	24
159 Frt. Off. Cash.								
41 Rcvg. Clerk	-	-	-	-	100%	-	-	43
80 Room Clerk	50%	50%	-	-	-	-	-	3
98 Houseman	6%	13%	13%	6%	31%	19%	13%	39
96 Maids	10%	4%	6%	10%	19%	17%	35%	60
101 Night Cleaners	8%	-	8%	25%	25%	17%	17%	38
Total all jobs	8%	4%	7%	8%	20%	15%	38%	83

* As of December 31, 1972. Based on a sample of 352.

Table 7

Separation Analysis

Number of Employees Separated in 1972

HFS (Total Hotel)	577	(approximately 54%)
Food and Beverage (hourly workers only)	103	(approximately 23%)

Turnover (Replaced Separation) in 1972

HFS (Total Hotel)	51%	(approximately)
Food and Beverage (hourly workers only)	15%	(approximately)

Largest Turnover in Food and Beverage Among hourly workers - 1972

Commissary Clerk	100%	(approximately)
Service Bartender	83%	(approximately)
Banquet Houseman	55%	(approximately)
Head Second Cook	33%	(approximately)
Chef's Runner	33%	(approximately)

Estimated Cost of Turnover

HFS (Total Hotel)	$336,000
Food and Beverage (hourly workers only)	$28,000

The wage range among non-management employees was from $1.00 to $4.00 per hour in the hotel as a whole; in the food and beverage department it ran from $1.30 per hour to $3.65 per hour. Excluding waiters and waitresses, whose tips make the $1.30 wage misleading, the majority of food and beverage employees earn less than $2.40 per hour. The next sizable grouping is at the $3.00 to $3.10 rate, with another bulge at $3.20 to $3.30. With a single exception, $3.30 was the peak wage for non-management employees in the food and beverage section.

Figures 6 and 7 show the number of incumbents per job title and per wage rate for the hotel and the food and beverage department.

Mobility Patterns. Figures 6 and 7 also show some noticeable lines of progression found by tracking the employment history of the sample of 352 employees. Note the largely vertical nature of the patterns: When individuals progressed in this organization, they usually did so within work areas. Oblique and lateral moves were much less common.

Another way of summarizing the work history data obtained from the sample of non-management employees is to examine those respondents with five or more years of service and see what promotional activity they have experienced. The results appear in Table 8, and they support other data previously displayed in suggesting the pervasiveness of dead-ended employment at HFS. Among the job categories most likely to be dead-ended are waiters, waitresses, food and beverage checkers, cashiers jobs, banquet housemen and bartenders.17/

17/ On the hotel side, maids, housemen and night cleaners are generally dead-ended positions.

Figure 6

HFS WAGE AND SALARY STRUCTURE
(With Job Progression of Sample of Employees)
All Departments, Excluding F and B

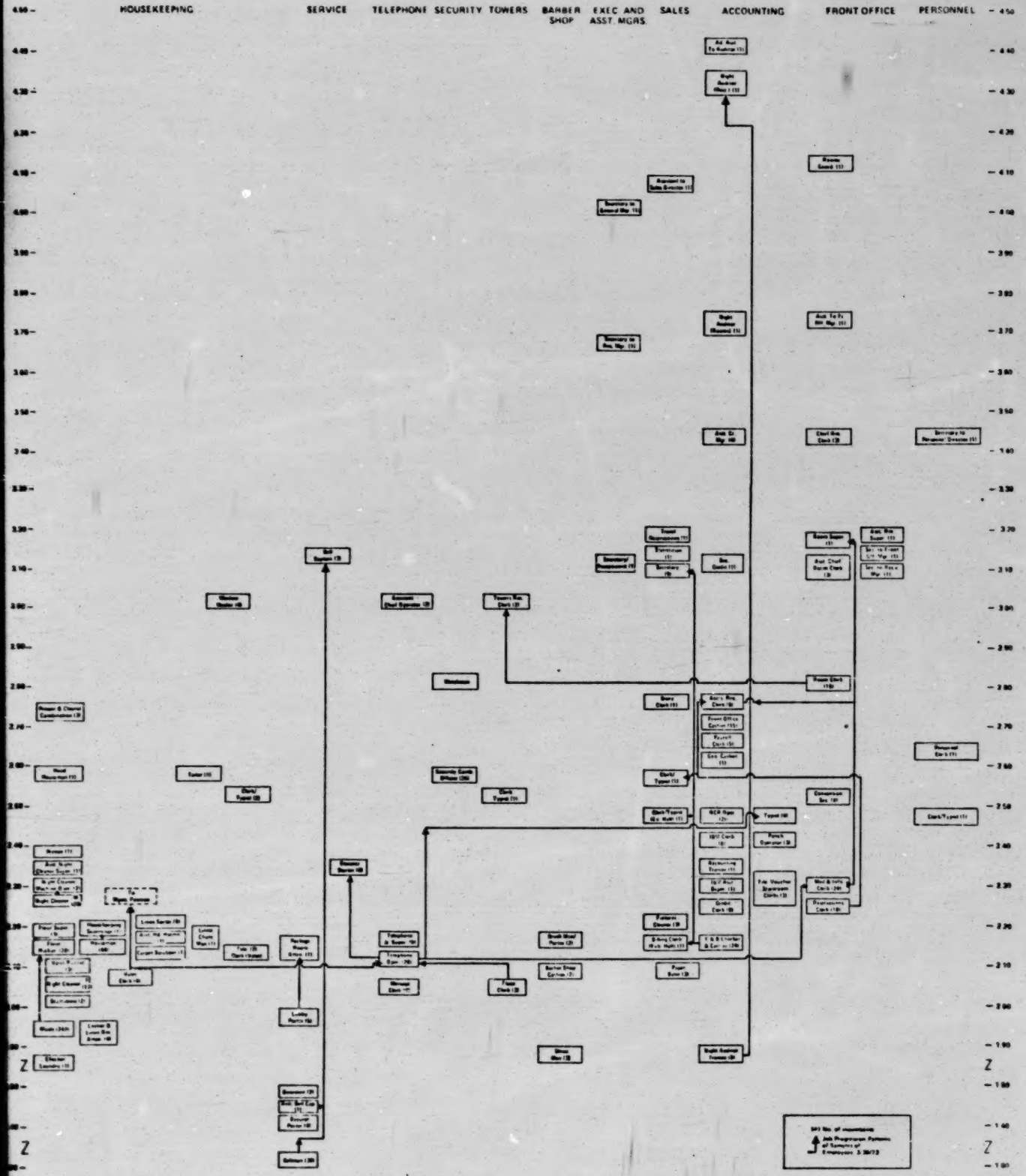


Figure 7

HFS WAGE AND SALARY STRUCTURE
(With Job Progression of Sample of Employees)
Food and Beverage Department

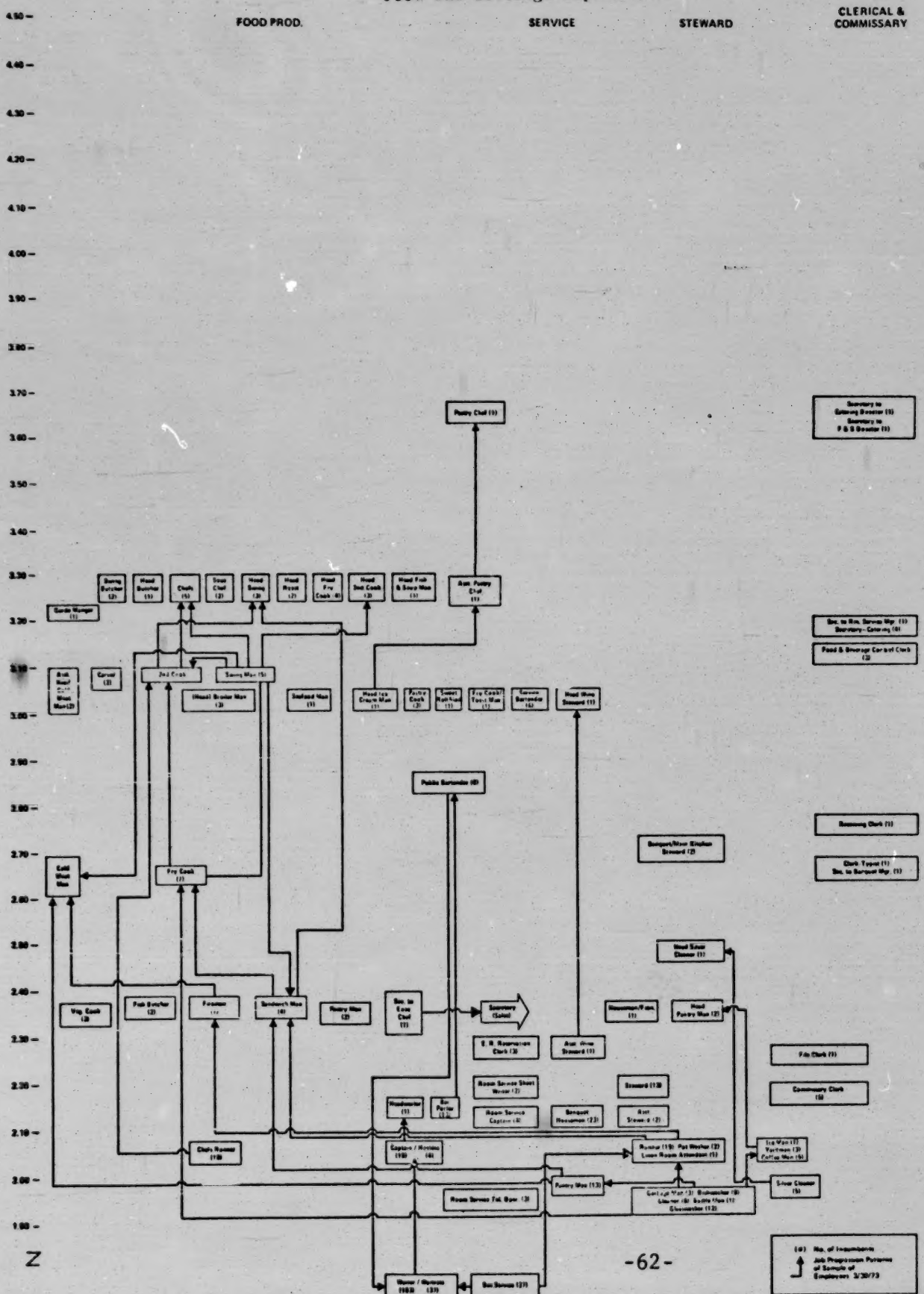


Table 8

Work History Analysis of Sample
of HFS Non-Management Work Force
(December 1972)

(Based on sample of currently active employees with five or more years of service (December 1972).)

Percentage	
63%	No promotion
22%	One promotion (average length - 43 months between hired date and promotion)
6%	Two promotions (average length - 94 months between hired date and final promotion)
9%	Three or more promotions (average length - 163 months between hired date and final promotion)

CHAPTER V

Tools, Techniques and "Models"

There have been many tools and techniques developed during the whole of the present contract, relevant to the design of career progression systems. There was a constant interaction between the three parts of the contract, in particular between the multi-plant manufacturing and the NRA parts. The tools and techniques jointly developed in these projects are described in the handbook, Increasing Employee Mobility Opportunities: An Employer's Handbook for System Design.18/ There is no need, therefore, to describe them in the present text. Where a specific technique was selected from among alternatives referred to in the Handbook, this is noted in the description of how the work was conducted.

The recommended career systems designed by applying these tools and techniques, are unique to the food industry, and as such, are described fully in the ensuing text. They are intended to serve as "models" for the industry.

The Proposed Career Progression Systems for the Institutional Foodservice Corporation

A Proposed Career Progression Structure for a Small Institutional Foodservice Unit. Although a career progression structure for a small institutional foodservice unit can be identifed, the potential for a self-contained career progression system within such a unit is, at best, limited. A series of JTRA's and subsequent statistical design work was conducted, however, partly to show what a small unit model would be like and, partly, to provide inputs into a multi-unit model developed in a later section.

Of the twelve existing job titles in the unit, nine were subjected to JTRA's (excluding Manager, Assistant Manager and Leader General). Through observations and interviews, detailed descriptions were made of tasks actually performed on the job. The specific skills required to perform those tasks were identified and rated. (See Appendix B)

From the analysis of the nine jobs, eighteen distinct sets

18/ Submitted in draft to the U.S. Department of Labor and currently being revised.

of duties, which were in a sense separate jobs, were isolated and identified. Their relationships are presented in the next section.

The analysis of the JTRA data was conducted by means of a statistical clustering technique which generates "D-values" corresponding to "distances" between jobs, with respect to the set of skills rated. The D-values between all pairs of jobs were computed and possible progression paths determined. These paths are based on the concept of similarity of jobs in skill requirements (the lower the D-value, or distance, the more alike the jobs).

The net results of the statistical analysis can be summarized as follows:

- The job title General Worker represented six distinct jobs (or sets of duties):

  - clean-up
  - counter-serving
  - set-up
  - salad preparation
  - hot beverage serving
  - dishwashing, pot cleaning, floor cleaning

There were variations in skills required to perform these sets of duties, but one major cluster was found for the counter-serving set which was not only markedly different but also higher in skills than the other jobs in many areas. This led to the recommendation that the General Worker category should be divided, for purposes of pay and promotion, into two jobs: General Worker I (all duties except counter-serving) and General Worker II (counter-serving). General Worker 1I could be a promotion after entry at General Worker I. This, in fact, tended to happen already, but in an unsystematic manner.

- Certain other job titles broke down into recognizably different clusters of skill, warranting new or modified titles and some restructuring. In essence, we found:

  - Cook's Helper category contained two quite different jobs: one was low skill and mostly concerned with vegetable preparation; the other

quite high skill and more properly called Baker's Helper. (This was an unusual job for IFS units.)

- First Cook category also contained two quite different jobs; one was primarily concerned with cutting and slicing meat for sandwiches and salads; the other was considerably more advanced in skill level calling for some expertise in preparation of soups and sauces, as well as vegetable cooking.

- It also appeared that the Second Cook title represented a Fry (or Grill) Cook.

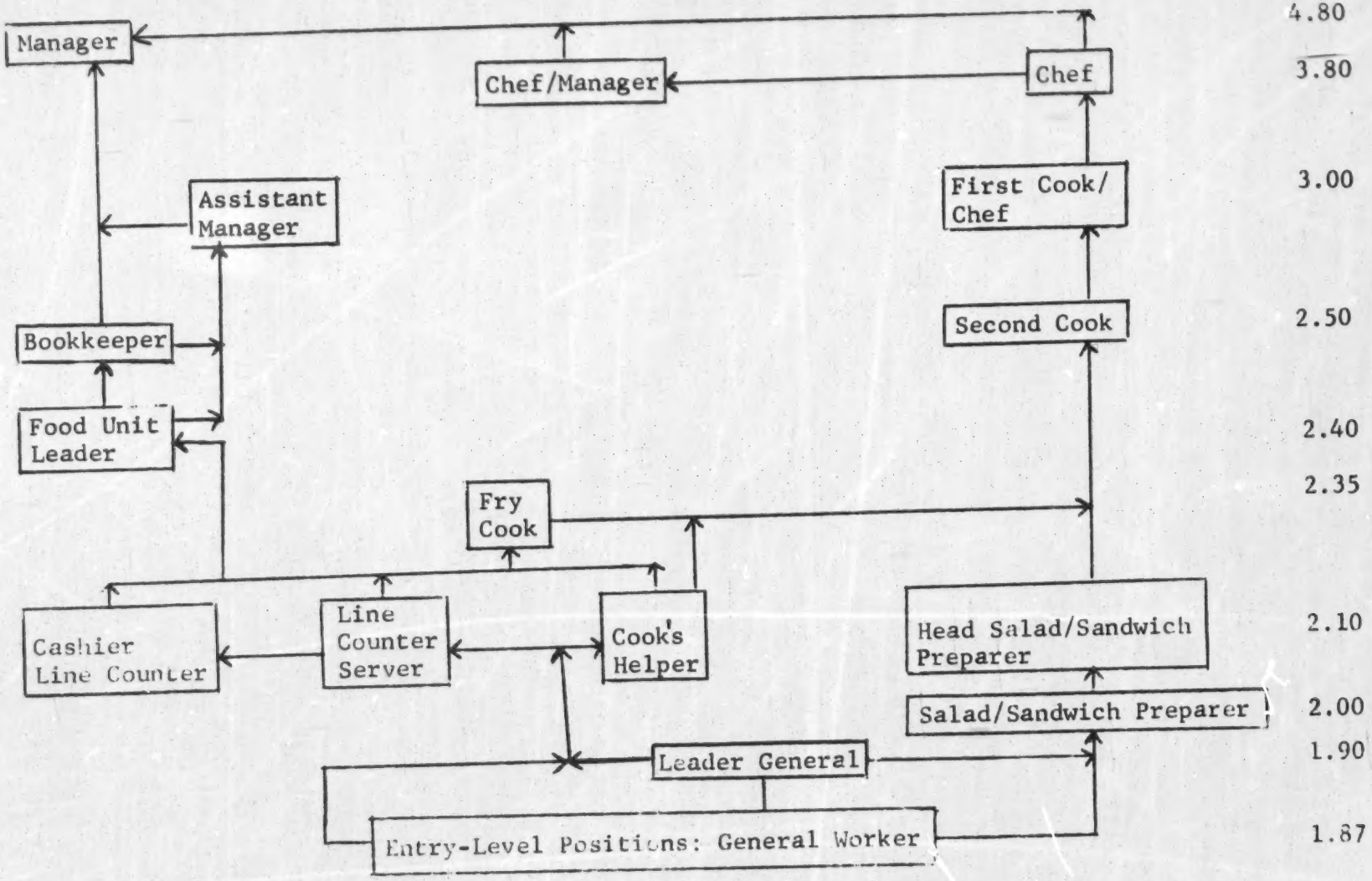
- The Cashier position represented jobs which were a mixture of conventional cashier work on the foodservice ("line") counter, together with set-up and clean-up duties and a duty which was, for all intents and purposes, sandwich and salad preparation, although the title, Cashier, was given to justify a pay increase. We established three Cashier positions: "Junior," which is a mix of most (but not all) normal cashier duties, plus other duties; "Senior," which consists of all cashier duties plus "party set-up"; and the "Cashier/Sandwich Preparer," which consists almost entirely of food preparation duties.

The skill rating data for each of the above jobs, plus General Worker II (or "Counter Server," as it was finally designated), Salad Preparer, Head Salad Preparer, Chef and Head Baker, were analyzed with respect to overall "distance." A set of career progression paths was then established, based on the D-value which permitted "natural" movement (i.e., approximately the same D-value as in the case of Salad Preparer to Head Salad Preparer, which is an existing progression).

Figure 8 presents the proposed progressions. In essence, entry is at the General Worker position and progression is

Figure 8

Proposed Promotional Paths Within and Between All Chicago Units of IFS



to Cook's Helper (vegetable preparation) and either to Salad Preparer or to Counter Server and then to Salad Preparer, in a lateral movement, or upward from Counter Server to Fry Cook and, thence, into the more senior food preparation jobs, culminating with Chef. From Salad Preparer, there is the progression to Head Salad Preparer and, thence, on to the two First Cook positions and Chef, or to the two (Junior/Senior) Cashier positions, or on to management functions. One route is into the Cashier/Sandwich and Salad Plate Preparer jobs and then, into the Cook's Helper (Baker)[19] job which, with training, can lead to Baker.

Movement between the two First Cook jobs, which currently differ greatly in skill, would be facilitated if the "Meat Cutter/Slicer" job were enriched by taking chicken frying duties away from what we have labeled the "Vegetable/Soup/Sauce Preparer" job and adding them to the Meat Cutter/Slicer job which is currently a classic case of underemployment.

The Chef position could, in turn, give up some sauce preparation duties to the Vegetable/Soup/Sauce job to replace the chicken frying duties. This would free the Chef for more creative work.

With the exception of the movement from Cook's Helper (Baker) to Baker, or Cashier (Senior) to management positions, it does not seem likely that major training would be called for, provided that the recommended progression sequences were adhered to.

A Proposed Career Progression Structure for the Inter-Unit Mobility Clustering of 22 Chicago Units

The single unit was not the most satisfactory environment for career progression, particularly, as it turned out, the unit selected for experimentation. A consolidation of all the 22 units in Chicago (many of which had turnover in the skilled job titles) seemed much more promising. The structure described below is based on this concept, which became the final recommendation to IFS.

19/ The recommendation was that this should be a somewhat enlarged job.

The set of promotional paths given in Figure 9 are a generalized version of those which were designed for the single small unit. Jobs which are peculiar to that unit are omitted or amalgamated (e.g., Cook's Helper is generalized as one job at a higher level than in the IFS(1) unit).

The General Worker job has been broken down into two, so that the Line Counter Server is separately recognized, although he or she will continue to perform other duties in slack periods.

Head Salad Preparer and Sandwich and Salad Plate Preparer were merged, since the latter job was a peculiarity of the IFS(1) unit.

The First Cook (Meat Cutter) was re-named Second Cook (Meat) which would include some meat and chicken preparation duties.

In addition to these jobs derived from the one unit analysis, a number of other jobs (not subjected to the analysis) were included, namely:

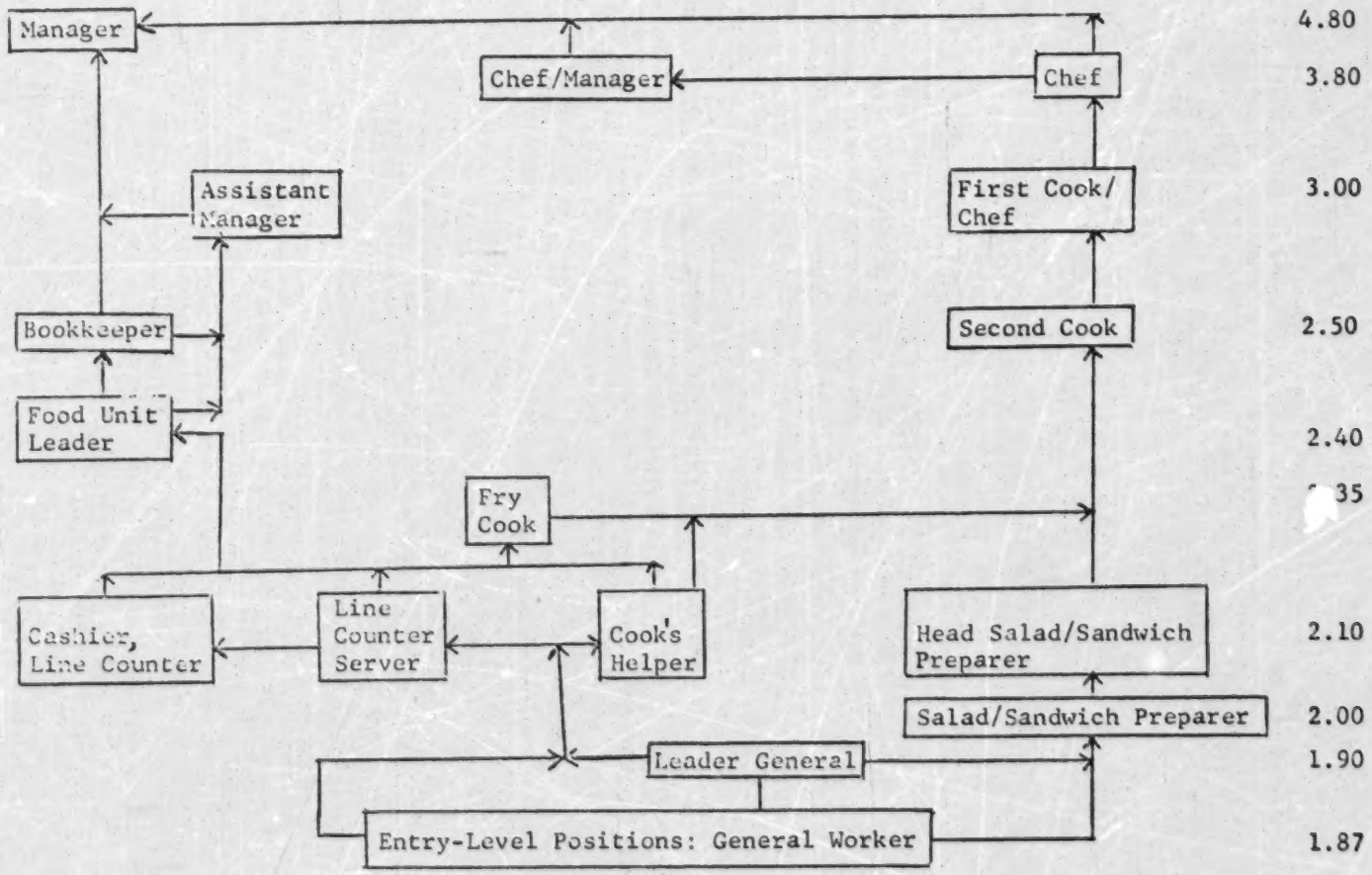
> Leader General; Food Unit Manager;
> Bookkeeper; Assistant Manager;
> Manager; and Chef/Manager.

There are many paths that the General Worker can take. Essentially, at the third level, a decision has to be made as to whether to move into the management path or the food preparation path but there is a later option for individuals who have chosen the food preparation path to move into management. The management path includes Food Unit Leader, Bookkeeper, Assistant Manager and culminates at Manager. The food preparation path includes Salad Preparation, Cook's Helper, Fry Cook, Second Cook, First Cook and culminates in Chef. In addition, and as a useful bridging job for the Cook who aspires to management, there is a Chef/Manager position, in small units, which is entered from the First Cook job.

The recommended lines of progression, as shown in Figure 9 are as follows: Commence as General Worker ($1.87 per hour). From that position one can move to Salad/Sandwich Preparer $2.00 per hour) (directly or by way of Leader General, if this job should become vacant; there are few Leader General positions in IFS Chicago and the pay increment is only 3¢ per hour). From Salad/Sandwich Preparer, the progression path leads to Second Cook ($2.50 per hour), then to First

Figure 9

Proposed Promotional Paths Within and Between
All Chicago Units of IFS



Cook/Chef ($3.00 per hour), Chef ($3.80 per hour) and then either to Manager ($4.80 per hour) via a management training program or laterally to Chef/Manager of a small unit, involving much less training, and then to Manager as a result of on-job experience.

Alternatively, the General Worker can move (optionally via Leader General, again) to Cook's Helper ($2.10 per hour) and thence to Fry Cook ($2.35 per hour) and then to Second Cook ($2.50 per hour), or directly to Second Cook and thence to the direct food preparation sequence as described earlier.

Another alternative for the General Worker is to move upward to Line Counter Server ($2.10 per hour) (possibly via Leader General), then laterally to Cashier, Line Counter. (The Cashier, Line Counter has to be able to serve food as well as perform cashier functions, so Line Counter Server is a preparation for this job.) From Cashier, Line Counter the most attractive path is now into the management sequence via Food Unit Leader ($2.40 per hour) to Assistant Manager, or the Assistant Manager job can be by-passed by going directly from Bookkeeper ($2.50 per hour) to Manager.

Different management training courses would be needed according to which progression path was used.

The Cashier, Line Counter could opt for the food preparation line, by moving upward to Fry Cook, but this is not very likely, since a direct path to Fry Cook exists for the Line Counter Server which was a lateral preliminary job for the Cashier.

The remaining option for the General Worker is to move to Line Counter Server and then to Fry Cook (this job, calling for both customer service and food preparation skill, can be filled by employees with either, given training in the missing element). From Fry Cook as already observed, there are progression opportunities to Second Cook, First Cook, etc.

The Process Components of the System

Training Curricula. Training curricula have already been prepared by NRA and NRA consultants, in conjunction with HDC project staff. These are based on the JTRA's conducted by HDC and NRA staff.

These are modular in construction (i.e., there are units of instruction which can be put together to create different complete curricula). In the IFS corporation, job titles do not always represent the same thing in different locations. It will, therefore, be left to the unit manager to decide which modules are needed to train, say, a "First Cook/Chef," who has been promoted from "Second Cook," each job having the task composition peculiar to that unit.

What have been developed are two separate modular curricula, one for food preparation (including "baking") and one for management and administration.

The modules can be assembled in a variety of ways; on the food production side they can be used to prepare for Salad and Sandwich Preparer jobs, Fry Cook, Second Cook, First Cook and Chef; on the management and administration side, they can be used to prepare for Cashier, Food Unit Leader, Bookkeeper, Assistant Manager and Manager. The "Chef/Manager" job can also be prepared for by a proper selection of modules.

The curricula are intended for on-job training, the immediate supervisor and a senior co-worker being responsible, under supervision, for the instruction in accordance with these curricula. Up to four days of classroom training is envisioned.

Unit Managers will be given training in instructional techniques, which they will be expected to pass on to their staff.

Personnel Policies and Procedures. The following recommendations were made to the Institutional Foodservice Corporation and were accepted "in principle."

- Within the 22 units in the Chicago area, formally "close-off" non-management hiring above the entry level General Worker job, except in emergencies.

- Initiate program to fill skill positions through training of current hourly workers, using the training curricula developed by NRA, HDC and NRA consultants.

- Publicize the upward mobility system, by (for example) continuing reference in a corporate newsletter and through repeated pay certificate enclosures in English and Spanish.

- Appoint a coordinator for the non-management upward mobility system, with initial responsibility for instituting training and for controlling the system in Chicago.

- Create a personnel inventory system, containing demographic and continuously updated job history data for non-management employees. This would be the responsibility of the "coordinator."

- Establish numerical targets for number of employees to be promoted - based on predicted vacancy rates - by quarters.

- Include, within the management evaluation system, provision that all line managers be evaluated in part on performance in meeting agreed upward mobility system objectives.

Estimated costs and benefits showed that costs would be about $36,000 per year, savings in reduced turnover alone could equal $42,000, i.e., a Benefit/Cost ratio of 1.2.

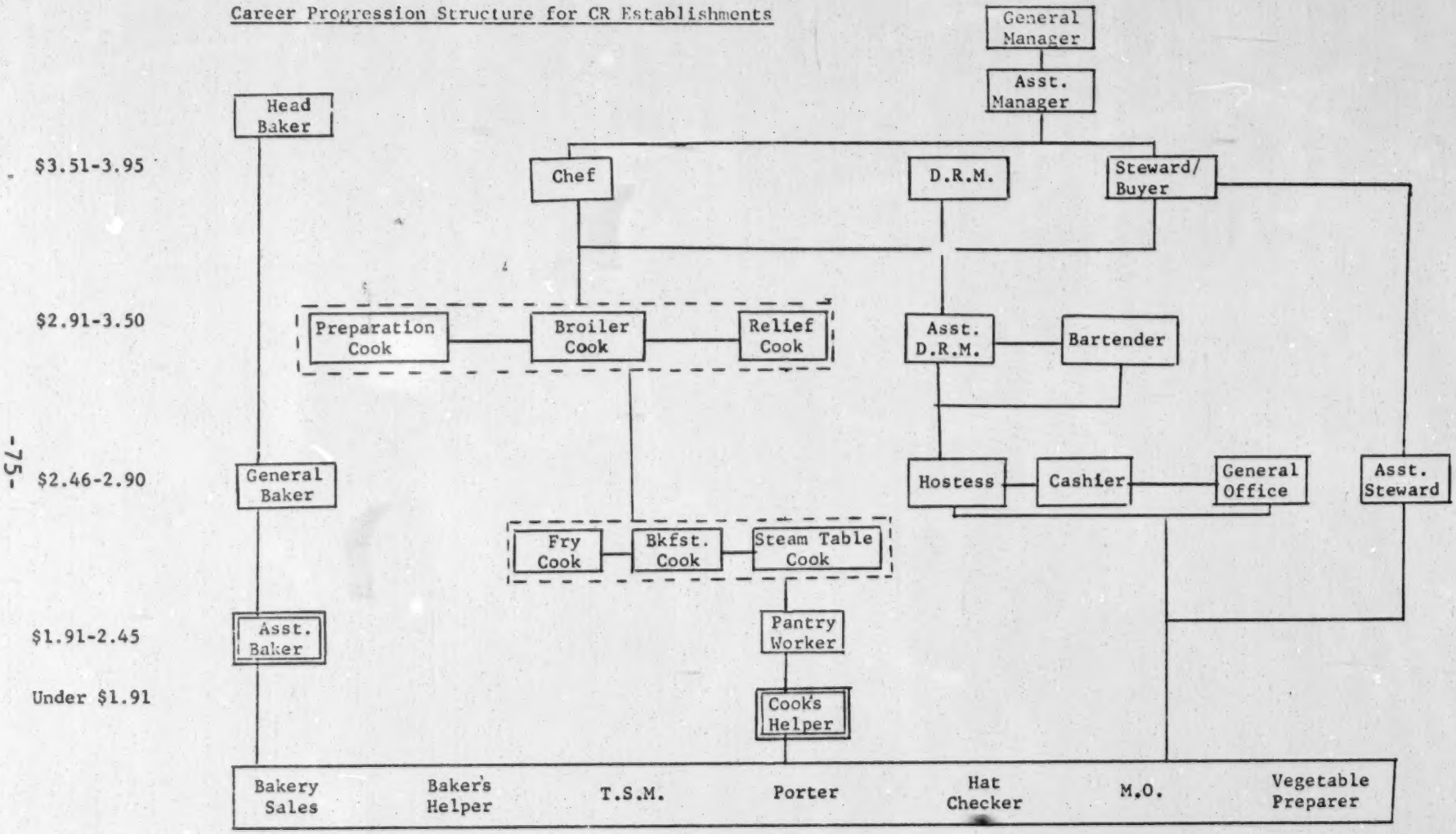
The Proposed Upward Mobility System for the Commercial Restaurant. All jobs, back- and front-of-the-house, were analyzed into tasks and given skill/knowledge ratings on a set of dimensions largely created for that particular set of jobs, but which would be generalizable to all jobs in food-service. The dimensions and scales are described in Appendix B. Using the State University of Michigan's computer facilities and the Johnson Hierarchical Clustering procedure,[20] the jobs would cluster with respect to skill/knowledge similarities and "distances" between the jobs determined. Career progression paths were established between jobs with small skill/knowledge distances from each other. The results are shown graphically in Figure 10. In essence, employees in any of the entry jobs can progress to any of the second level jobs. Beyond this point there are four distinct families: 1) the bakery family, with its lowest level at $2.00 per hour (Assistant Baker[21])

20/ Described in Appendix I of the Employers Handbook.

21/ The Baker's Helper job is of such undifferentiated skill level that, although it links into the bakery family, it can equally well link into any other.

Figure 10

Career Progression Structure for CR Establishments



Legend

A B C — Symbolizes that an employee must have experience in each of the jobs A,B,C before he/she can be promoted.

Symbolizes a recommended job.

and the highest level (Head Baker) at more than $4.00 per hour; 2) the food preparation family, lowest level about $1.80 per hour (Cook's Helper) culminating with Chef in the $3.51 to $3.95 per hour range; 3) the front-of-the-house family - Hostess, cashier and including General Office personnel - all in the $1.91 to $2.45 per hour range at the lowest level, with Dining Room Manager (DRM) as the top job in the family; 4) the steward family, which has only two members, Assistant Steward and Steward/Buyer, in the $2.46 to $2.90 per hour and $3.51 to $3.95 per hour ranges respectively.

Chef, DRM and Steward/Buyer jobs all link into the management jobs, Assistant Manager and then General Manager of the restaurant. The Head Baker job becomes a dead-end, since the skills/knowledge called for are highly specialized and many of those needed for the management job are not developed. Nor did it seem feasible to recommend any linkages between baking and the other families at lower levels, for the same reasons. With the exception of this family, it will be seen that an individual from the lowest level jobs in the organization has an opportunity to move into management. It was judged that the skill/knowledge distances between the various jobs were small enough to make the recommended progressions very smooth and needing only a quite small amount (economically feasible) of training.

The design included two new jobs - Assistant Baker and Cook's Helper. Both appear to be needed by the two restaurants to facilitate production. They would also help employees progress, by providing intermediate steps on the ladder, at which they could learn some necessary skills/knowledge.

Another feature of the design is that at certain levels in the food production family, it would be necessary before moving upward to have experience of each job in the family at that level. Before moving to Broiler Cook, say, it would be necessary for the employee to have experience in Fry Cook, Breakfast Cook and Steam Table Cook jobs, all at the same level, but a level with a somewhat different mix of skill/knowledge. Again, before moving up to Chef, it would be necessary to have experience in the Preparation, Broiler and Relief Cook jobs, in order to be properly equipped for promotion.

This structure was presented to CR management in December 1972. At that time it was seen as generally valid by the management, but there has been no subsequent action since then (see "Organizational Willingness," p.22.

Process for CR. A number of process recommendations were made, corresponding with this structure and, as part of process, curricula for on-job training were designed for all the "back-of-the-house" jobs. (These were developed by the University faculty consultants, based on the job analyses, and are listed on page of this report.) In addition to training recommendations, it was recommended that:

- a stop should be put on hiring from outside;
- trainers, from within the restaurants, should be selected and trained to use the curricula;
- posting and bidding should be formalized;
- employees should be oriented to the career progression system; a text to hand to all employees was developed;
- a method of predicting vacancies should be instituted, so that posting, bidding, selecting and training could begin at such time that jobs were not left vacant because of shortage of skilled personnel, nor were employees trained for vacancies that did not occur until months after their training; a simple procedure was outlined;
- career counselling was recommended;
- guidelines were developed for payment of employees when in training and on completion of training if the expected vacancy was not immediately available;
- a full-time career progression system manager was recommended.

As with the structure, the recommendations were well received by management, but so far little implementing action has taken place.

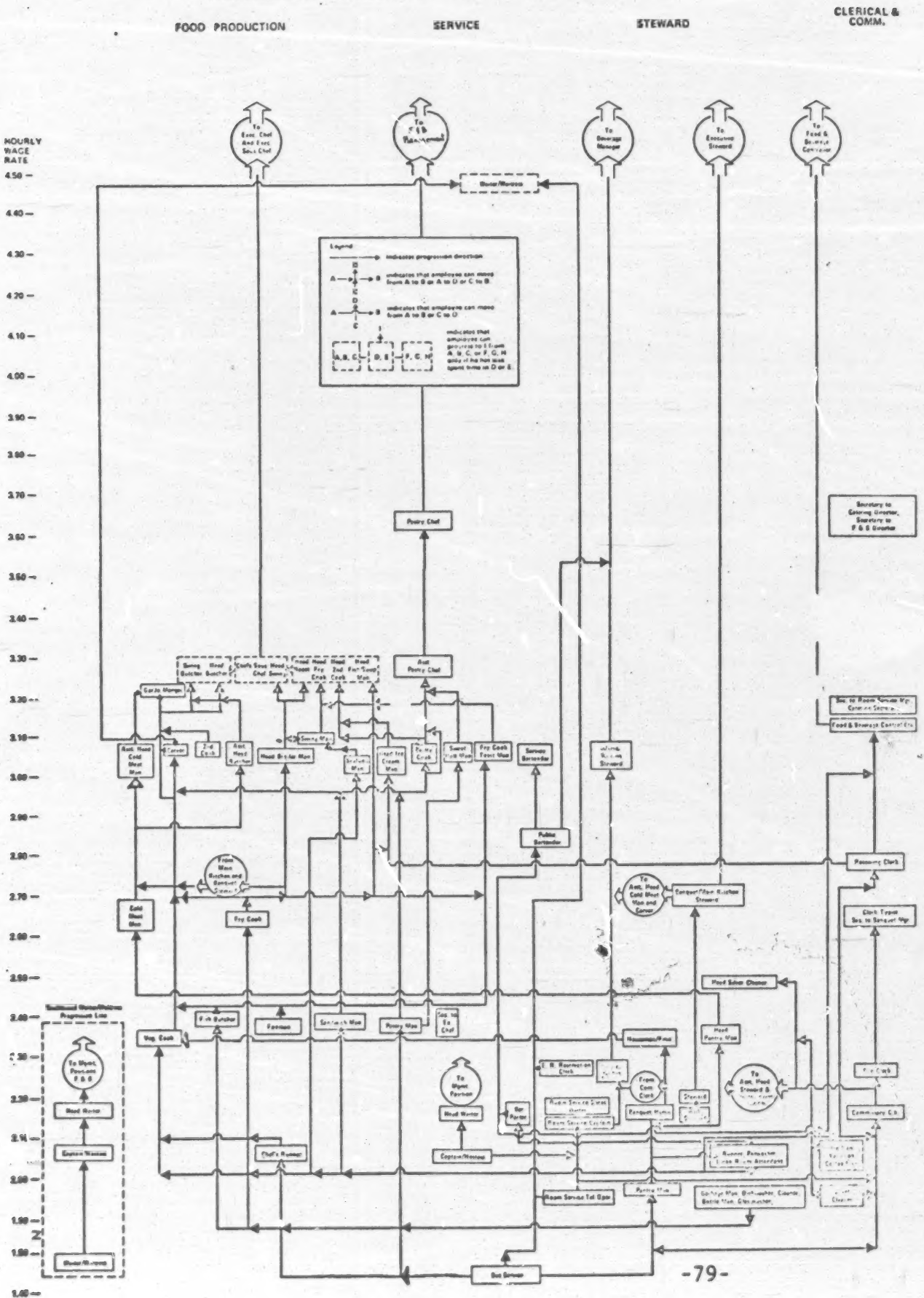
The Proposed Career Progression System for the Hotel Food-service Corporation, Food and Beverage Unit. The methods for designing the structure were essentially the same as those described for CR. The structure itself, Figure 11, is different because of the much larger number of jobs in the food and beverage department of a large hotel. Duties are broken out and formally recognized as separate jobs and given titles, whereas in a small restaurant the employee is expected to perform a variety of different duties, many of which are peripheral to his major role. It will also be observed that cashiers are not included, since they were not part of the food and beverage department. (The hotel plans to continue analysis of other hotel jobs and link them with food and beverage. Cashiers will probably then be found to link in with the Clerical jobs and with the Waiter/Waitress jobs.) A further difference from CR was the absence of a bakery on the premises.

Waiters/Waitresses received large tips in the HFS restaurants; their remuneration was estimated at about $6.50 per hour if tips were allowed for, compared with an estimated $2.50 to $2.90 per hour at CR. This had the effect of placing them above any except management jobs so far as earnings were concerned, and in this sense these were target jobs to be fed into by all other jobs where the skill/knowledge relationship permitted. On the other hand, the hours and the nature of the work are very onerous, and it was conjectured that some would prefer to move down in earnings, temporarily, so as to enter the food preparation area. This is shown in Figure 11, the job of Carver being shown as the recommended entry port to the food preparation family for Waiter/Waitresses. A link of this kind, between front- and back-of-the-house, was not found feasible for CR, because the job of Carver, part food preparer, part food serving and public interaction, did not exist.

In general, with some exceptions, the skill/knowledge data again revealed well defined families of jobs, concerned with food preparation, with food servicing, with steward/buyer duties, with clerical and control duties. One link between these families has already been mentioned. Another recommended link was between the Banquet/Main Kitchen Stewards job and the Head Meat Man and Carver jobs, so linking the Steward family to the Food Preparation family.

Figure 11

PROPOSED CAREER LADDERS IN THE FOOD AND BEVERAGE DEPARTMENT



Progression paths were recommended from all entry jobs to management jobs, but a few dead ends still remained. Most importantly, the Pastry Chef job (somewhat like the Head Baker of CR) could not be rationally linked to higher level jobs, because it does not develop required skills or knowledge. The recommended structure was presented in April of 1973. It was accepted in principle and it was agreed to as the basis for an ongoing career progression system.

Career Progression Process for HFS. In parallel with the structure, a series of recommendations for the process of promotion was presented. Appendix A contains the outline of recommendations presented to HFS management. These were still being considered at the end of HDC involvement with the project.

A most important suggestion for making the system work was that a full-time executive should be appointed to operate the system. He would, in due course, become the corporation's resource for designing systems in the hotels throughout the country. The job was designated Career Development Coordinator (CDC) and it was agreed that a suitable person would be located and appointed. As of the end of July 1973, this has not taken place, but management claims it still intends to make such an appointment.

In the meantime, the jobs of Chef's Runner and Waiter were identified by the organization as immediate target jobs, because of expected vacancies, and employees have been notified that training programs for these jobs are now open. Curricula for OJT have been designed and train-the-trainer sessions conducted by NRA personnel, to prepare for these programs.

As of the end of July 1973, no employees have asked to join the programs. It is felt that the Chef's Runner job, at $2.05 per hour, is not sufficiently interesting to persuade employees to apply especially since the nature of the progression opportunities between Runner and more serious food preparation jobs has not been made clear. The reasons why the waiter training has been so poorly responded to is more difficult to understand. One possibility is that - as with Runner - while training was offered, no express job offer was made.

Further investigation and renewed recruitment attempts are to be made.

Generalized Career Progression Models for Restaurants

Based largely on the experience in CR, a handbook for the industry was developed by the project team plus consultants. The HDC members were primarily responsible for the structure and process recommendations. The book, How to Invest in People: A Handbook on Career Ladders, should be referred to for details. The recommended structures for a variety of types of restaurants are shown in Figures 12 through 18.

Considerable space in the Handbook is devoted to alternative processes. Issues covered are:

- How to predict job vacancies.
- How to select employees for training and promotion (describing both the "Management Centered" and the "Posting/Bidding" approaches).
- How to train employees for promotions, which link training curricula (mostly for OJT) which have been developed during the project, namely:

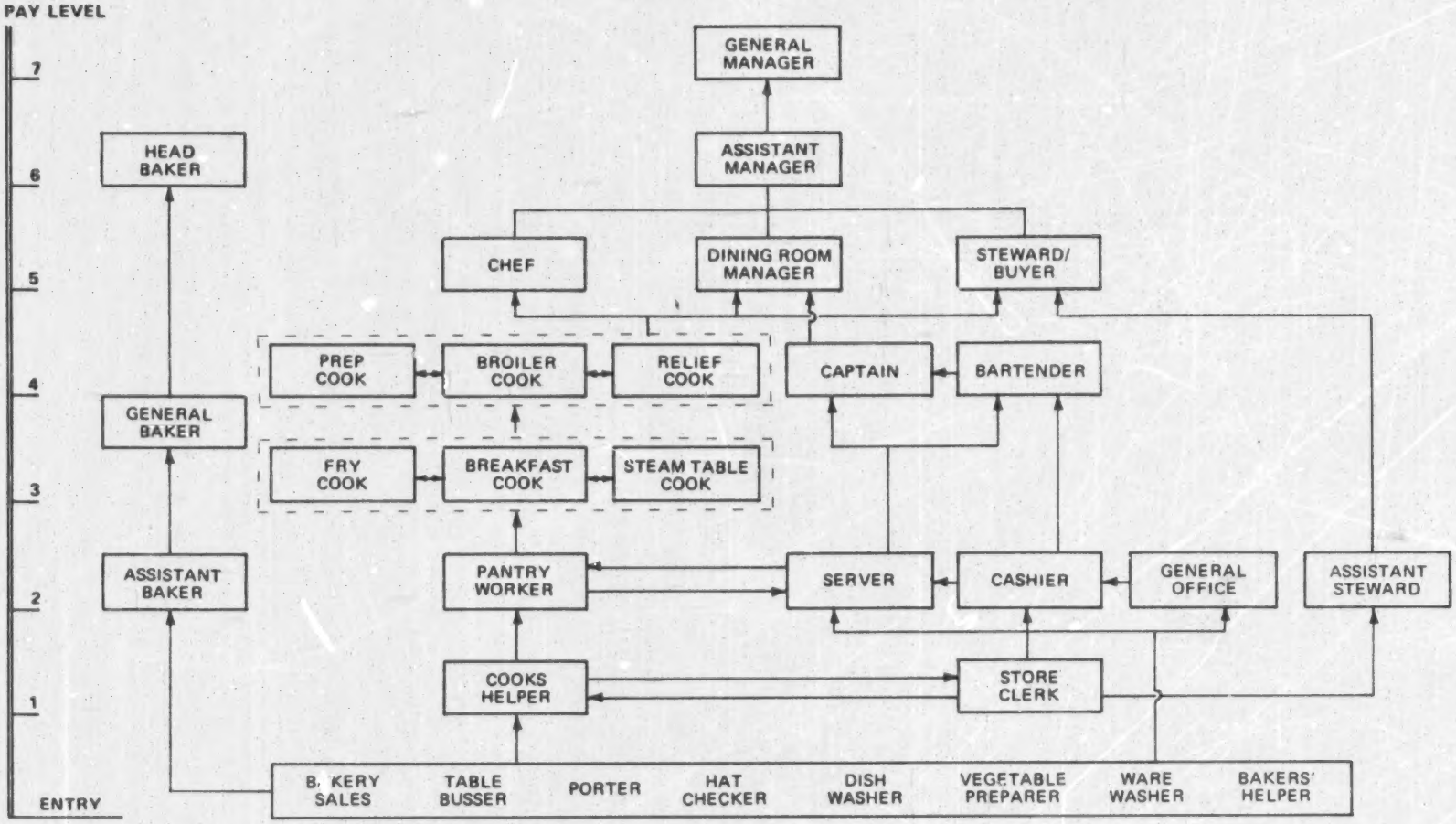
  - Cook Chef
  - Preparation Cook
  - Steam Table Cook
  - Fry Cook
  - Broiler Cook
  - Cook's Helper
  - Pantry Worker
  - Head Baker
  - Baker
  - Baker's Assistant
  - Baker's Helper

  (These employ modular construction, with one module per subject, and form building bricks out of which many curricula can be formed, while avoiding repetiton of previously learned material as the employee progresses along a career path.)

- Training the trainer.
- Payment of employees in training or trained and awaiting placement.
- Skills inventories and vacancy/placement records.
- Evaluation and adjustment of the system.

Figure 12

MODEL CAREER LADDER FOR A FULL-SERVICE RESTAURANT



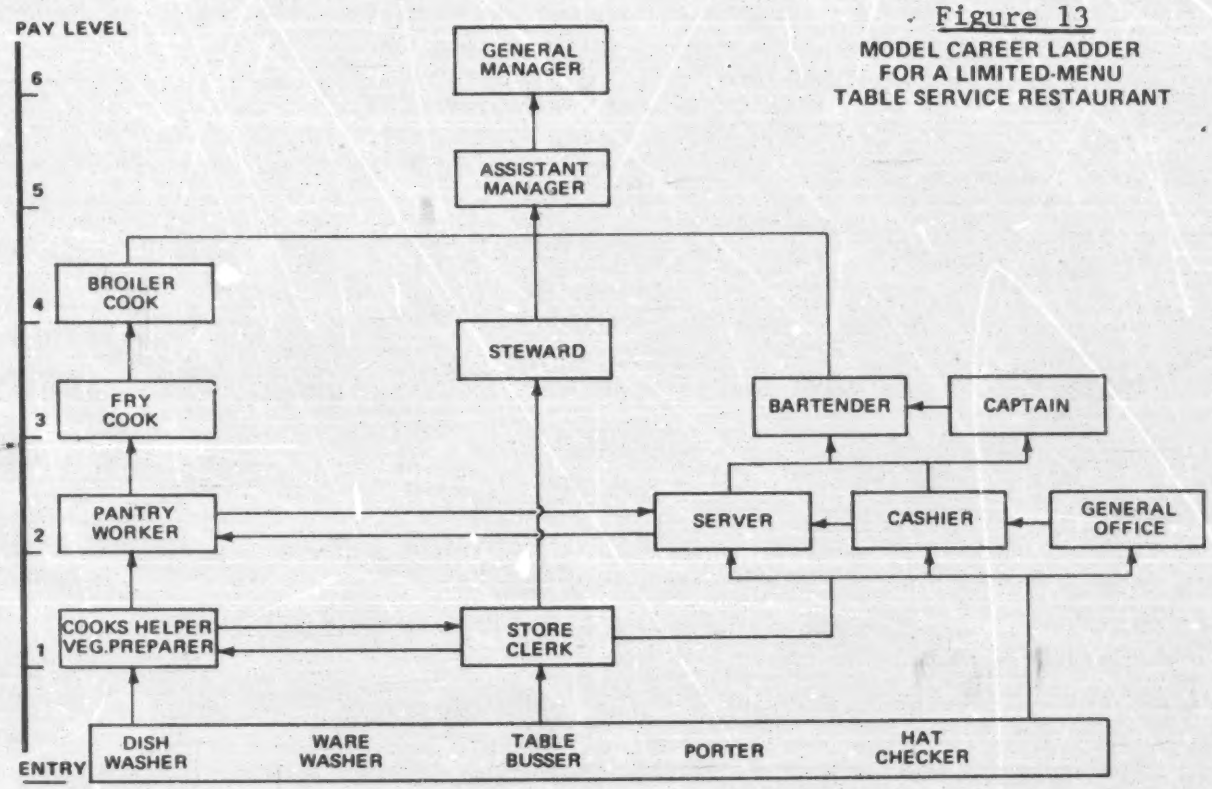


Figure 13
MODEL CAREER LADDER
FOR A LIMITED-MENU
TABLE SERVICE RESTAURANT

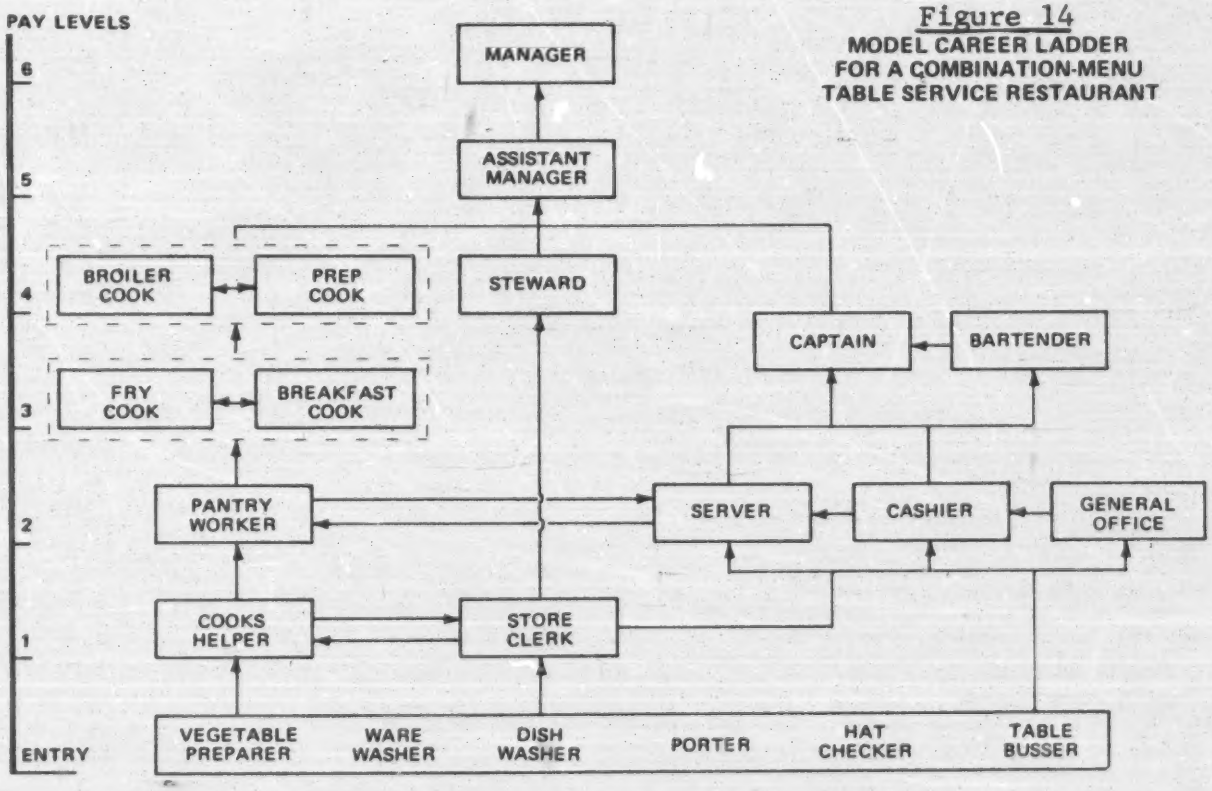


Figure 14
MODEL CAREER LADDER
FOR A COMBINATION-MENU
TABLE SERVICE RESTAURANT

Figure 15

MODEL CAREER LADDER
FOR A COUNTER-SERVICE OPERATION

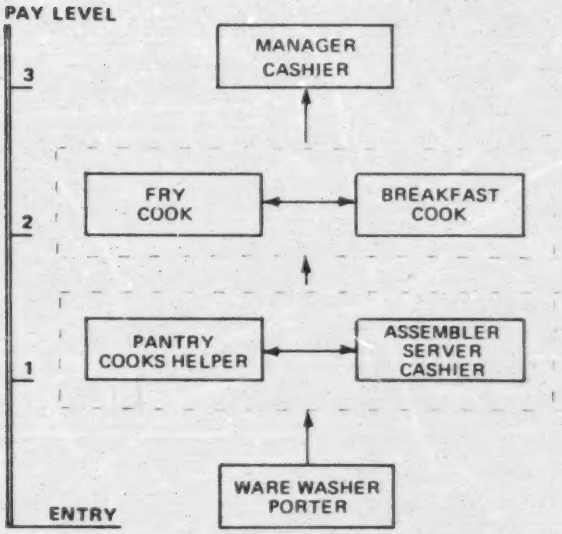


Figure 16

MODEL CAREER LADDER
FOR A DRIVE-IN/TAKE-HOME OPERATION

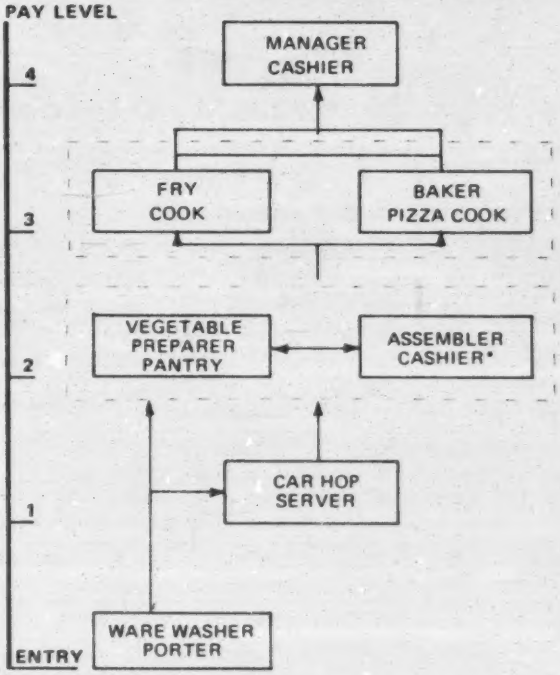


Figure 17

MODEL CAREER LADDER FOR A FAST-FOOD OPERATION

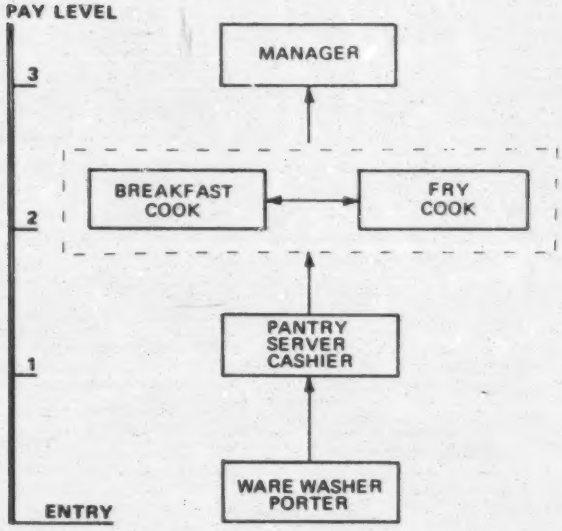
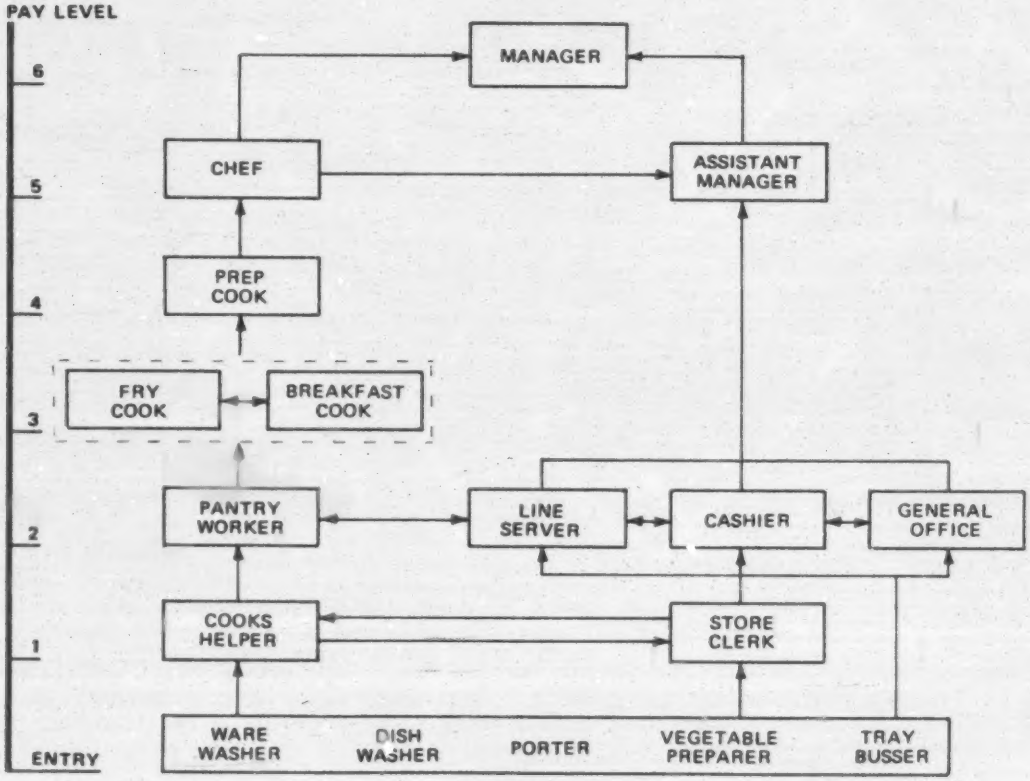


Figure 18

MODEL CAREER LADDER FOR A CAFETERIA OPERATION



APPENDIX A

MAKING THE SYSTEM WORK

Process Design for the Hotel Foodservice Food and Beverage Department:

Job Vacancy Prediction

Skills Inventory

Employee Selection for Training and Promotion

Orientation (Employees/Supervisors)

Training Employees for Promotion

Monitoring and Evaluation

Job Vacancy Prediction

Objective: To estimate when, and how many, vacancies will occur within each job title, so that an adequate supply of trained individuals is available as close as possible to the time they are needed. Trainees should not have completed training before they are needed, which merely leads to the newly trained individual taking his skills and knowledge to a competitor, and not later, which leaves the position still vacant and may result in hiring from the outside so defeating the purpose of a career development system.

Naturally the estimates will sometimes be in error, but the goal is to graduate a trainee from a program immediately before the vacancy occurs.

Method: In principle, the method consists of estimating:

a. the number of vacancies to be filled which occur because of separations, promotions, transfers.

b. additional vacancies to be filled which occur because of an expansion of business (occupancies, customers).

Estimation of such vacancies can be based upon past experiences. There are several methods, of varying levels of sophistication, which can be used for the purpose.

Based on inputs from the HFS hotel auditor, the CTS has refined the steps outlined in the handbook How to Invest in People on prediction of job vacancies (pages 21 and 22).

The refined version will be discussed in detail with appropriate hotel staff. It should be noted that even the simple approach contained in the latest version is greatly facilitated by the use of a computer; the more sophisticated versions of job vacancy prediction can only be used with computer aid.

Skills Inventory

Employee work history records which are essential for selecting qualified persons for training and promotion are often called a skills inventory or a skills bank Skills inventories record the knowledge and skills acquired by each employee through training and work experience. A review of the current record of skills and work history at the hotel, was made by the Career Training Study. Recommendations for facilitating collection, storing and retrieving this data will be made to the Personnel Department. (Pages 28 and 29 of the handbook, How to Invest in People, describes the nature of the records required for the skills inventory and vacancy ad placement.)

Use of the corporate computer is recommended for the collection and reproduction of current file data on employees eligible for a given promotion, as well as information needed to determine where placements will be required.

Computerizing the information at the outset will help to facilitate matters for the hotel and the corporation as the career development system becomes operative nationally.

Employee Selection for Training and Promotion

The point has been made, and it should be reemphasized that to be successful a career development system must be highly visible to employees and must be fully understood by them. Visibility means that employees know that if they chose to do so they can move upward in an organization. Understanding means that employees know what the criteria for promotion to each job are, how to express desire for promotion, and what will be required of them to gain promotion. This section suggests ways by which employees can be informed about job vacancies and how they can be selected for training and promotion.

This selection can be accomplished in two ways:

1. Through a management-centered process
2. An employee-bidding process

Although the two methods are similar in many respects, there are differences. The main difference is in the way candidates for training and promotion are identified.

The management-centered process of employee selection focuses upon identification and selection of qualified candidates unilaterally by management. The identification of qualified candidates should begin far enough ahead of predicted vacancies to allow time for selection and training to take place.

The employee-bidding process focuses on self-identification by employees. When selections are to be made for training and promotion to a higher level job, employees are asked to "bid." The bidding process means that job opportunities are made public knowledge through some form of "posting" and employees are invited to indicate their desire to be considered for training and promotion.

A decision should be made by management on the method of selection and elicit the cooperation of the unions. The Career Training Study team will help the Personnel staff develop the steps in the selection procedure decided upon. (Pages 23 and 24 of the Handbook discusses further this aspect of the career development system.)

Orientation

In order to achieve maximum effectiveness, career opportunities and career development systems must be visible. Employees and management must have confidence that the system will actually result in benefits to them.

Employee Involvement

Career development should be brought to an employee's attention as soon as he joins the organization. The Personnel Department and/or Department Head responsible should be prepared to plan and carry out a procedure or orientation that will inform each employee of all aspects of the career system. This orientation should be provided in various forms:

1. Orientation sessions
2. Posters
3. Notices in pay envelopes
4. Publicity in house organ, and/or other media
5. Policy and procedure manual

The handbook How To Invest In People discusses orientation in further detail on page 27 and Appendix C.

Management Involvement

There must be a commitment to the career development system at all levels. Plans for orientation sessions should be made to insure that each level of management and supervision understands how the career development system functions and how it will benefit the organization and him personally.

Some of the points that could be included in management orientation are:

1. Employee profiles
2. Overview of hotel and/or department (including such items as status of productivity, manpower, sales, other).

3. The What, Why, How and Who of the Career Development System
4. What is expected of management
5. What can management expect in return

The CTS team will work with assigned staff members of the hotel to prepare appropriate materials on orientation sessions as well as establish criteria to be used in evaluating managers' performance in employee development through the system.

Training Employees For Promotion

Career ladders are designed so that by building upon previously acquired skills and knowledge, learning time in a new job is shortened and training costs can be kept to a minimum. Most training is on the job, but in all cases, training should be formalized. It is recommended that a person be appointed (as Career Development Coordinator) on a full-time basis to coordinate training activities and to see that the career development system for the hotel is phased into the personnel process on a continuing basis.*

The CTS team will assist the Coordinator and other hotel personnel to develop an overall training plan for the career development system.

The various ways employees can be trained (on-the-job, conference, classroom and programmed instruction) are discussed on pages 24 and 25 of the Handbook. The methods and module curricula used for training will depend on the nature of the target job and amount of previous work experience of the trainee. The National Restaurant Association has produced and is continuing to produce training material for the foodservice industry that can be utilized by the Food & Beverage Department. They will also have access to materials for training in other areas such as Housekeeping.

---

* Upon completion of the phase-over of the career development system at the hotel, the Career Development Coordinator will be responsible for national implementation within the Corporation where feasible.

Monitoring And Evaluation

To insure that the career development system is working effectively provision must be made for monitoring and evaluation.

Monitoring involves overseeing accurate recording and up-dating of data referred to under other headings or processes, such as:

- turnover
- promotions
- lost time
- productivity
- employee profiles
- employee work histories
- employee performance and attitudes

Evaluations to determine how well the sytem is working, involve a periodic review and adjustments of the system when conditions change. University consultants to the NRA will be involved in the preliminary evaluation at the hotel.

Use of the corporate computer is recommended. This will not only facilitate the work for the hotel but will also lead the way for corporate-wide application of the career development system.

The Career Training Study team will work with the hotel Personnel Department to detail the steps for monitoring and evaluation.

APPENDIX B

SKILL DIMENSIONS

		Scale Values
3.	Locomotion	0 - 9
4.	Object Placement	0 - 9
5.	Object Manipulation	0 - 9
6.	Guiding or Steering	0 - 9
7.	Information Utilization	0 - 9
8.	Human Interaction	0 - 9
9.	Co-Worker Cooperation	0 - 9
10.	The Need for Leadership Skills	0 - 9
11.	Decision Making on Timing Sequence or Speed	0 - 9
12.	Decision Making on Methods	0 - 9
13.	Choice of Standards or Output	0 - 9

Note: These were derived from the Health Services Mobility-Study scales. (Research Foundation of the City University of New York). The HSMS was funded by the U.S. Department of Labor, Manpower Administration.

Example of Skill Scale

LOCOMOTION

Scaling on this dimension represents the level of locomotive skills called for in the task being coded. Locomotive skills cover task behavior in which the performer moves his body through space to accomplish a task. Locomotive skills increase as the degree of complexity in movement and the degree of control required over the body increases. Complexity and control increase as environmental restrictions on movement or standards set by the task increase in rigor.

Scaling on this dimension is independent of the subject matter needed in the task, whether academic knowledge or knowledge related to the field in which the task occurs.

SCALE VALUE	DESCRIPTIVE STATEMENT
0	The task does not require the movement of the performer's body through space.
1	The task requires the performer to walk or move from one place to another without restrictions on the manner of movement and without obstacles on the pathway used.
2	The task requires the performer to move, or walk, or run so as to avoid people or objects in a pathway which is confined, obstructed or narrow, while accomplishing the task.
5	The task requires the performer to coordinate body movements through space so as to appear graceful or so as to achieve balance in a generally predetermined sequence involving moderate complexity or control -- somewhat beyond that encountered in average experience.
7	The task requires the performer to coordinate body movements through space so as to achieve rigorous, predetermined standards of control, coordination and complexity.
9	The task requires the performer to coordinate body movements through space so as to achieve extremely rigorous, predetermined standards of control, coordination, complexity and aesthetics.

APPENDIX C

"PRACTICAL KNOWLEDGE" DIMENSIONS

	Scale Values
1. Foodservice terminology	0 - 3
2. Menu-related knowledge	0 - 4
FOOD PRODUCTION	
3. Broil	0 - 5
4. Bake	0 - 5
5. Fry	0 - 5
6. Grill	0 - 5
7. Soup	0 - 5
8. Sauce	0 - 5
9. Saute	0 - 5
10. Pantry Production	0 - 5
11. Garde Manger Production	0 - 5
12. Drink Production - non-alcoholic	0 - 5
13. Drink Production - alcoholic	0 - 5
14. Reading	0 - 4
15. Writing	0 - 4
16. Speaking	0 - 4
17. Understanding the Spoken Language	0 - 3
18. Arithmetic Operations	0 - 5
19. Categorization	0 - 2
20. Form Utilization	0 - 3

"PRACTICAL KNOWLEDGE" DIMENSIONS (Cont'd)

		Scale Values
21.	Information Flow	0 - 3
22.	Rules, Regulations and Corporate Policies	0 - 4
23.	Safety	0 - 3
24.	Personal Hygiene	0 - 2
25.	Sanitation	0 - 3
26.	Quality Control	0 - 3
27.	Equipment Operation	0 - 3
28.	Personnel Management	0 - 4
29.	Budgeting and Finance	0 - 4
30.	Marketing	0 - 4
31.	Sales	0 - 4
32.	Scheduling	0 - 4
33.	Food and Beverage Inventorying	0 - 4
34.	Food and Beverage Ordering	0 - 4
35.	Food and Beverage Receiving	0 - 4
FOOD AND BEVERAGE STORAGE		
36.	Freezer	0 - 4
37.	Dry Stores	0 - 4
38.	Refrigerators	0 - 4
39.	Liquor Room	0 - 4
40.	Butcher Shop	0 - 4

"PRACTICAL KNOWLEDGE" DIMENSIONS (Cont'd)

		Scale Values
41.	Bake Shop	0 - 4
42.	Food and Beverage Requisitioning	0 - 4
43.	Totaling guest checks	0 - 4
44.	Service Methods	0 - 4

Example of "Practical Knowledge" Scale

READING

Scaling of this dimension represents the performer's ability to read the information necessary to complete the task in a satisfactory manner. The language to be read, is the one commonly in use for the task and is usually English.

SCALE VALUE	DESCRIPTIVE STATEMENT
0	The performer does not have to know how to read to perform the specified task.
1	The performer must know how to read and recognize words or symbols on objects specific to the task. (e.g., danger, hot, 86)
2	The performer must know how to read and comprehend simple phrases or sentences encountered in the course of task performance. (e.g., "Be sure to keep door of walk-in closed.") (G.E.D. level 2)
3	The performer must know how to read and comprehend complex language and its meaning as related to the task. (e.g., instructions in use and maintenance of tools and equipment)
4	The performer must be able to read and comprehend complex language structure. (e.g., Technical Manuals)